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Purchase Order System (PRCH)

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Procurement Payment Activities

SECTION 1
Purchase Order System (PRCH)

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About This Procedure

This procedure provides instructions for completing forms used to order goods and services from vendors and to process payments to vendors through the Purchase Order System (PRCH). The following information will help you to use this procedure more effectively and to locate further assistance if needed.

How The Procedure Is Organized

This procedure is divided into several primary sections which are tabbed for easy access. Most primary sections are also divided into subsections. See the Table of Contents for a complete listing.

[Introduction](#) includes general information as follows:

[Overview](#) describes the types of purchase orders; forms; prompt payment and time discount policies; complying with the Debt Collection Improvement Act (DCIA) of 1996 and Form 1099 reporting; available PRCH systems; criteria for purchase order closeout to history; and NFC and agency responsibilities.

[Reports](#) provide information on PRCH generated periodic reports, letters, and check enclosure information sent to agencies and vendors.

Completion Instructions for Type 40, 41, 42, 43, 45, and 60 purchase orders are separate into tabbed sections. Each section gives instruction for the completion of the appropriate Form AD-838, Purchase Order.

[Completion Instructions For Amending An AD-838](#) provides information and examples on amending orders.

[Exhibits](#) include illustrations such as examples of reports.

[Appendixes](#) contain reference information, such as code lists or tables.


To keep you informed about new or changed information related to this system, NFC issues short publications called bulletins or amendments. This procedure and all related bulletins and amendments are listed in the NFC External Publications Index, issued semiannually. Also, all bulletins issued for this procedure will be available on the Internet at the NFC homepage (www.nfc.usda.gov).

Pages are numbered consecutively at the bottom of each page. If the procedure is amended, point pages (e.g., 3.2, 3.3, etc.) are used as needed to accommodate additional pages. All amended pages are marked at the bottom with the amendment number and date.

If you begin receiving this procedure after it has been amended, you will receive the publications with all amendments and bulletins. Remove and insert amended pages according to the accompanying page control chart so that your procedure is current.

What Conventions Are Used

This procedure uses the following visual aids:

- Block specifications are identified as *required*, *conditional*, *optional*, or *no entry*. The size of the block is identified with the number of positions or the maximum number of positions allowed in the block (e.g., *8 positions* or *8 positions max.*).
- For date blocks, “(mm/dd/yyyy)” means that you should enter the date in month/day/year order, using leading zeroes for single-digit months and days. Example: Enter January 15, 1998, as 01151998.
- Data that must be entered exactly as shown is printed in ***bold italics***. Example: Enter ***X*** in the No box when IRS Form 1099 tax reporting is not required or ***X*** in the Yes box when the seller is subject to IRS Form 1099 tax reporting.
- Emphasized text within a paragraph is printed in **bold**. Example: **After ensuring that the unit price is current**, enter the dollar portion of the unit price (up to 6 whole numbers) with a decimal after the dollar amount, and the cents portion (up to 4 positions).
- Figure, exhibit, and appendix references link figures, exhibits, and appendixes with the text. These references are printed in a bold font as shown here. Example: **Appendix A** provides detailed instructions for using this service.
- References to sections within the procedure are printed in a bold font as shown here. Example: See **Who To Contact For Help** under **About This Procedure** for more information.
- Important extra information is identified as a note, caution, or reminder icon in the left margin. Example:

This type order cannot be amended because payment is made in advance.
- Optional entries for a block are preceded by a bullet. Example:
 - To indicate that an advance payment without a vendor invoice is authorized enter ***P*** in Block 9.

Who To Contact For Help

For questions about electronic access through PRCH, contact Information Center personnel at **504–255–5230**. Electronic users for the Purchase Order Online Data Entry and Inquiry System (PRCHENT) should refer to the instructions found in Title VI, Chapter 7, Section 1. Data entry users for Rural Development and the Farm Service Agency (FSA) Personal Computer Purchase Order System (PC–PRCH) should refer to Title VI, Chapter 7, Section 13. Other agency data entry users for PC–PRCH should refer to Title VI, Chapter 7, Section 2.

Telephone questions about processing documents, for PRCH should be limited to urgent matters requiring immediate attention. These questions should be directed to the Administrative Payments Branch, Purchase Order Section at **504–255–5370**, or if you are using a touch-tone telephone, the Purchase Order Inquiry Line at **504–255–4724**.

The Purchase Order Inquiry Line provides a voice response inquiry service using a touch-tone telephone. This system is available from 6 a.m. to 6 p.m. During normal working hours (7:45 a.m. – 4:00 p.m., Central Time, Monday through Friday), an inquiry technician is available for additional assistance. [Appendix A](#) provides detailed instructions for using this service.

Inquiries that require lengthy research should be submitted in writing on Form AD-354, Request For Information, with a copy of any helpful documentation that could assist in resolving the problem to:

Purchase Order Section
National Finance Center, USDA
P.O. Box 60000
New Orleans, LA 70160-0001

When making a PRCH inquiry, provide the following data on the AD-354, to the voice response service or to the technician:

- Purchase order number
- Invoice number
- Invoiced amount
- Vendor's name and address
- Agency code, accounting station, and unit code (Forest Service (FS) only)
- Date invoice was submitted to NFC for payment processing
- Name, location, and telephone number of caller

Telephone questions that cannot be answered immediately will be researched and responded to within 5 days of receipt.

Vendors can also use the Purchase Order Inquiry line for payment information by calling toll free **1-800-421-0323**. To reduce the number of agency inquiry calls from the vendor, attach a copy of [Appendix A](#) to the Seller's part of the AD-838 so the seller can have access to this toll free number and the invoice response inquiry service. This action can reduce the agency's inquiry calls from the vendor.

To provide NFC with facsimile copies of purchase order documents that require immediate processing, use the fax machine located in the Purchase Order Section at NFC. These documents can be purchase order obligations, receiving reports, and invoices.

Documents sent via fax must be signed so that a copy of the authorized signature appears on the facsimile copy. A cover/transmittal sheet (Transmittal of Information via Facsimile Machine) should accompany the facsimile documents showing the total number of documents transmitted, name of agency contact, and telephone number in case the documents have to be re-transmitted. The fax number is **504-255-6136**. If you wish to confirm receipt of the document, call **504-255-3159**.



This fax service should be used only for faxing documents that are immediately needed to complete the payment process on time and to aid in avoiding or reducing costly interest

penalties. Use normal mailing processes for the routine submission of purchase order obligations, receiving reports, and invoices

For detailed information about inquiry methods for accessing agency data, see Revision 5 of the Inquiry procedure, Title V, Chapter 1.

For questions about this procedure, contact the Directives and Analysis Branch at **504-255-5322**.

Online Inquiry (PRCHINQ)

Online query of NFC master records through the Purchase Order Remote Inquiry System (PRCHINQ) is also available. PRCHINQ allows agencies to:

1. View the obligation, amendment, invoice, and accounting details of Types 40, 41, 42, 43, 45, and 60 orders
2. Review receipt details for Types 40, 43, 45, and, 60 orders
3. Review cyclic payment details of a Type 42 order
4. Review the invoice details of Types 40, 41, 42, 43, 45, and 60 orders
5. Review a list of Type 40 orders that contain invoices held in suspense at NFC for at least 20 days awaiting a receiving report and at risk for payment of interest penalties in accordance with the terms of the Prompt Payment Act
6. Review Types 40, 41, 42, 43, and 60 orders that have migrated to history within the last 6 months

For detailed information on using PRCHINQ, see Title VI, Chapter 7, Section 8. Inquiry instructions for Rural Development and FSA are in Title VI, Chapter 7, Section 3.

The Purchase Order Inquiry Line is available as a supplement to PRCHINQ or for agencies that do not have electronic access to NFC records. (See [Who To Contact For Help](#).)

If your agency does not have the capability to query PRCH records at your location and is interested in obtaining more information, contact Information Center personnel at **504-255-5230**.

Introduction

This section provides information on the types of purchase orders; forms; prompt payment and time discount policies; complying with the Debt Collection Improvement Act (DCIA) of 1996, Form 1099 reporting, and tax exempt certificates; available PRCH data entry systems; criteria for purchase order closeout to history; the responsibilities of NFC, the Office of the Chief Financial Officer (OCFO), and the agency; and PRCH generated reports and letters.

Overview

PRCH is an automated data processing system which provides a complete procurement system for the purchase of goods and services from commercial or Government supply sources. PRCH processes payments to vendors in accordance with the Prompt Payment Act, giving full control to the procurement office to determine not only the terms of the payment, but also the timeframes.

This procedure provides instructions for procurement offices using PRCH to procure goods and services from commercial supply sources. It describes the process for preparing and submitting appropriate ordering forms to the vendor and to NFC for payment processing. When procuring goods and services, agencies should use this procedure and the Federal Acquisition Regulation (FAR) requirements.

Before agencies can use PRCH, a General Services Administration (GSA) FEDSTRIP requisitioner number must be obtained from GSA, Supply Management Division, Washington, DC 20406. It is also necessary for NFC to assign a fund code applicable for the accounting classification to be used by the agency. This information is placed in the appropriate blocks on the AD-838 by the agency when the order is prepared. The fund code is used by NFC to identify ordering and receiving offices. Data captured from PRCH input documents is used to generate reports for agencies to use in monitoring purchase order activity and to vendors for invoicing requirements.

Using the guidelines in this procedure, PRCH provides agencies with the capability to prepare a paper AD-838 obligation document and receiving report, or to electronically enter purchase order obligation and receiving report data from terminals at the agency location through PC-PRCH, PRCHENT, or through an agency-certified electronic purchase order system.



Note

Agencies should use a fax to provide NFC with facsimile copies of purchase order documents that require immediate processing. For more information, see [Who To Contact For Help](#) under [About This Procedure](#).

If immediate processing is not required, paper AD-838 documentation should be sent to NFC at the following address:

National Finance Center, USDA
P.O. Box 60000
New Orleans, LA 70160-0001

Types Of Purchase Orders

There are six types of purchase orders. Each order is assigned a 2-position transaction type number in the first 2 positions of the purchase order number. The transaction type can be a 40, 41, 42, 43, 45, or 60. The transaction type is based on the description of goods or services to be purchased, the pricing conditions, and the method of payment.

Type 40 is used to procure goods or services for a fixed cost and quantity with an anticipated one-time vendor payment.

Type 41 is used to procure subscriptions to newspapers, periodicals, and training cost from vendors.

Type 42 is used to procure goods and services for a fixed cost and quantity with anticipated recurring automatic cyclic or one time lease and other retroactive payments.

Type 43 is used to procure goods and services with fixed or estimated price and quantity with anticipated one-time or recurring vendor payment and to document the contractual purchase of goods and services.

Type 45 is used for a blanket purchase agreement (BPA). An informal agreement between the agency and vendor where funds are not obligated until the AD-838D and invoice are processed for payment.

Type 60 (Rural Development and FSA Only) is used in relation to Rural Development and FSA program contract payments.

See the completion instructions for each order type for more information.

A transaction type and routing requirement table (see [Appendix B](#)) is included in this procedure to assist agencies in determining the proper routing method for PRCH documents. Payments for each type of order is made in accordance with the standards of the Prompt Payment Act. Payment to a vendor is based on a match of the purchase order number from the purchase order obligation, receiving report, and vendor's invoice, except in those instances when an advance payment is authorized without an invoice (Type 41 with P in Block 9 and Type 42), or when a payment is authorized without a receiving report (Type 40 orders for \$1,000 or less).

Forms

Agencies authorized to use PRCH are required to prepare the forms discussed below in accordance with the completion instructions in this procedure.

The following forms are used for PRCH documentation.

Form AD-838, Purchase Order. Used to initiate the procurement of goods and services from individuals and vendors, and to amend information initially shown on orders previously issued. This form is available in either 7- or 5-part sets.

When ordering AD-838's from the Consolidated Forms and Publications Distribution Center, specify the version of the AD-838 in the Item No. column on Form AD-14, Request For Supplies, Equipment, Or Service.

To order the 7-part snap-out set (for use on a regular typewriter), specify AD-838-7. To order the 7-part pinfeed set (for computer printing), specify AD-838-7P. To order the 5-part set (for PRCHENT or PC-PRCH user), specify AD-838-5PE. (The construction of the 5-part set is discussed in the PRCHENT and PC-PRCH procedures.) Providing the specific form number will enable your order to be accurately filled.

The 7-part AD-838 consist of the following:

- NFC (white). The original or first part of the form is forwarded to NFC by agencies that are **not** PRCHENT or PC-PRCH users.
- Seller's Original (white). The second part of the form is forwarded to the seller to confirm the order and to provide billing instructions.
- Receipt Copy 1 and 2 (green). The third and fourth parts of the form are used to certify receipt, inspection, and acceptance of a partial or complete shipment of goods or services against a Type 40 order.
- Issuing Office Copy (yellow). The fifth part of the form is the procurement agency's file copy.
- Property Copy (gold). The sixth part of the form is used by the agency in accordance with the property management guidelines.
- Agency Use Copy (blue). The seventh part of the form is used by the agency according to internal agency procedures.

Form AD-838A, Partial Receipt Notification. Used to certify receipt, inspection, and acceptance of a partial shipment of goods or services against a Type 40 order.



Use this form when the number of receipt copies of the AD-838 are not sufficient.

Form AD 838-B, Invoice-Receipt Certification. Used to certify receipt, inspection, and acceptance/service period end date of the goods or services against a Type 43 order.

Form FmHA 838-B, Invoice-Receipt Certification. Used by Rural Development and FSA to certify receipt, inspection, and acceptance against a Type 60 order.

Form AD-838D, BPA-Invoice-Receipt Certification (2-part form). The original is used to certify that the items billed were received, inspected, and accepted against a Type 45 order. The copy is retained for agency files.

Form AD-216-B, Voucher Difference Statement – Administrative Payments.

Used by NFC to notify vendors of a payment difference that can not be identified on the Notice To Check Recipient ([Exhibit 26](#)) included with the payment.

Form W-9, Request For Taxpayer Identification Number (TIN) and Certification. Used by agencies to comply with provisions of the Paperwork Reduction Act, Privacy Act, and DCIA when securing the payee's TIN (social security number (SSN) or employer identification number (EIN)) required in Block 9d, Taxpayer's Ident. No., on the AD-838. This form advises the payee of the mandatory disclosure, authority, purpose, and use of the TIN. An incorrectly reported TIN can result in an Internal Revenue Service (IRS) penalty.

W-9's may be obtained from local IRS offices or may be reproduced by agency offices using the sample furnished in [Appendix C](#).

Seller's Invoice. Used to process payment for goods delivered or services furnished to the consignee indicated on the AD-838. A proper invoice must be an original, include the name and remittance address of the vendor, invoice date, payment due date, purchase order number, description, quantity, unit of measure, unit price, extended price of supplies delivered or services rendered, and evidence of shipment.

The seller's original invoice for Type 40 and 41 purchase orders are mailed directly to NFC at the billing address preprinted on the seller's original part of the AD-838.

The seller's original invoice for Type 43, 45, and 60 orders are mailed to the agency office responsible for receipt certification. To ensure that the vendor mails the invoice directly to the agency, the procuring office must write/type its billing address on the seller's original of the order and cross out NFC's address. The invoice will then be sent directly to the agency office responsible for preparing the AD 838-B, AD-838D, or FmHA 838-B.

Prompt Payment Of Purchase Orders

The Prompt Payment Act requires Federal agencies to pay interest penalties for late payments to vendors for goods and services, to take discounts only when payments are made within the discount periods, and to make payments as close as possible to but not later than the due date. PRCH processes payments to vendors in accordance with the Prompt Payment Act as described below:

Type 42. These orders pay the vendor automatically in accordance with the start date shown in Block 14 on the AD-838. It is extremely important that the order be issued before the payment start date. If the order is issued after the payment start date, late payment interest penalties are due the vendor.

Types 40, 41, 43, 45, and 60. These orders are processed for payment when billed by the vendor. To control timely processing, the AD-838 obligation, the receiving report, and the vendor invoice for Types 40 and 41 are date stamped when they are received at NFC. (Vendor invoices for purchase order Types 43, 45, and 60 must be date stamped by the agency's receiving location.) If the agency or NFC neglects to stamp the receipt date on the invoice, the payment due date is determined by the date of the invoice only when the invoice date is later than the date the goods or services were received.

Invoices that do not pass extensive NFC computer edits/audits are rejected and must be corrected and reentered by NFC operations personnel. If the invoice is determined to be improper (See [Seller's Invoice](#) under [Forms](#) for proper invoice criteria.), NFC will return it or notify the vendor within 7 days after receipt at NFC (3 days for meat and meat food products, and 5 days for perishable agricultural commodities, dairy products, edible fats or oils, and food products prepared from edible fats or oils). A dated letter is sent to the vendor explaining the reason the invoice is considered improper.

If the invoice is rejected due to an invalid purchase order number, a letter is system generated and sent to the agency (Types 43, 45, and 60) or to the vendor (Types 40

and 41) for verification of the purchase order number. The vendor is instructed to verify the order number and, if correct, is asked to contact the ordering office for verification and then resubmit the invoice with a copy of the order to NFC. If the order number is correct, the agency is instructed to fax the obligation copy of the AD-838 to the Purchase Order Section at NFC as discussed in [Who To Contact For Help](#) under [About This Procedure](#).

For invoices that are awaiting receiving reports, NFC notifies the vendor within 7 days after receipt of the invoice (see [Exhibit 24](#)). Simultaneously, NFC requests receiving status from the agency receiving office (see [Exhibit 15](#)). A monthly report is distributed to the agency accounting station and procurement offices (see [Exhibit 6](#)). These actions are in compliance with the Prompt Payment Act.

Detailed information on the payment of invoices using the standards described in the Prompt Payment Act can also be found in the Prompt Payment Reference Guide, Title II, Chapter 1, Section 1.

Time Discount Policy And Computation

PRCH captures the discount terms from both the AD-838 and the seller's invoice, and makes an analysis to determine whether it is more advantageous to take the cash discount or pay according to net payment terms, this is a practice termed **payment targeting**. When time discount terms offered by vendors are advantageous, computation is based on the actual cash balance due the vendor. If a freight charge is stated as a separate item on the seller's invoice, the time discount is computed excluding the freight charge.

The time discount expiration date for each type AD-838 is computed as follows:

Types 40 and 41. The discount period begins with the invoice date. If the invoice does not contain a date, the date the invoice was received at NFC is used.

Type 42. Time discounts are not applicable. The payment for these orders are system generated using the payment start date shown on the order.

Types 43, 45, and 60. The discount period begins with the invoice date. If the invoice does not contain a date, the date the invoice was received by the agency (date shown in Block 4 on the AD 838-B and AD-838D, and Block 5 on the FmHA 838-B) is used.

Agencies must immediately submit the AD 838-B, AD-838D, or FmHA 838-B to NFC with the vendor invoice stapled securely to the back. To avoid expiration of the time discount prior to payment processing, attach Form AD-780, Discount Notice ([Exhibit 29](#)), to the front of the document. This will flag the document to indicate a time discount has been offered by the vendor and will ensure immediate handling by NFC.

Complying With The Debt Collection Improvement Act Of 1996

The Debt Collection Improvement Act (DCIA) of 1996 required agencies to (1) collect the taxpayer identification number (TIN) for all payments made to persons and/or vendors and to report this number to the Department of the Treasury, and (2) begin implementation of direct deposit/electronic funds transfer (DD/EFT) payments to new vendors in 1996 and to all vendors by 1999.

Supplying the TIN. Since January 1, 1998, NFC is requiring agencies to supply the vendor's TIN for PRCH. When completing the various AD-838 forms, enter the seller's TIN (SSN or EIN, which is assigned by IRS), in the Taxpayer's Ident. No. block. Treasury will use the TIN to identify and collect from individuals and business those delinquent debts owed to the Federal Government.



Note

In addition to the TIN requirements to process transactions through PRCH, agencies who have implemented the Foundation Financial Information System (FFIS) should also refer to Title IX, FFIS Manual, for the TIN requirements in FFIS.

It is recommend that agencies provide vendors with a Request for Taxpayer Identification Number (TIN) and Certification, Form W-9. This IRS form will assist agencies in obtaining the TIN and in determining if the vendor is subject to IRS 1099 tax reporting. (See [Internal Revenue Service \(IRS\) Form 1099 Tax Reporting](#) below.) It also includes a Privacy Act Notice advising the vendor of the mandatory disclosure, authority, purpose, and use of the TIN. The W-9 can be obtained from local IRS offices or be reproduced using the sample in [Appendix C](#). Do not forward the W-9 to NFC. Agencies should keep the W-9 for future reference in case the agency does business with the vendor again

Foreign vendors and intergovernmental payments. NFC has learned that foreign vendors and intergovernmental payments may not be required to have a TIN. In order to process AD-838's without a TIN for foreign vendors and intergovernmental payments, PRCH users must ensure that payment requests sent to NFC, electronically or by a paper copy, are coded with the appropriate SF-281 code. (A list of SF-281 codes may be found in [Appendix D](#).)

PC-PRCH. When using PC-PRCH, users will key in a *dummy* TIN of 98-9898989 in the Taxpayer's Ident No field. (This *dummy* TIN can only be used in conjunction with an SF-281 code for foreign vendors or an intergovernmental payment.) and the appropriate SF-281 code in the SF-281 Code field on the Purchase Order Obligations-Data Entry screen.

PRCH. When completing a paper copy of an AD-838 (to be mailed to NFC for processing through PRCH) for a foreign vendor who did not supply a TIN or an intergovernmental payment, leave Block 9d, Taxpayer's Ident No *blank*. (This *blank* TIN block can only be used in conjunction with an SF-281 code for foreign vendors or an intergovernmental payment.) Enter the appropriate SF-281 code in Block 5, SF-281.

Agency-developed software. Agencies that use their own agency-developed software to transmit to PRCH through a front-end system should revise their software to ensure that the appropriate SF-281 code is used for foreign vendors and intergovernmental payments when a TIN is not required.



Caution

NFC will verify the foreign vendor or intergovernmental payment by reviewing the SF-281 code. If an appropriate SF-281 code was used to indicate a foreign vendor or an intergovernmental payment, NFC will process the AD-838 without the TIN or with the *dummy* TIN (PC-PRCH). If the appropriate SF-281 code was not used, the AD-838 will reject to suspense.

DD/EFT. Under DCIA, the conversion to DD/EFT will be handled in two phases.

- (1) All recipient of Federal payments who became eligible to receive those payments on or after July 26, 1996, are required by Treasury to receive them electronically unless the recipient certifies that an account at a financial institution is not available.
- (2) Effective January 1, 1999, all Federal payments will be made by DD/EFT unless a waiver is approved.

In order to meet the current EFT requirements, when contracting for goods or services with a new vendor, the agency procurement office should obtain necessary banking information to enroll the vendor in the Vendor Express program. This can be accomplished by referring to the Vendor Express procedure, Title II, Chapter 1, Section 2.

Treasury issued the proposed EFT rule on September 16, 1997, and plans to issue the final rule in 1998. This proposed rule includes a list of possible waivers to the EFT requirement.

Internal Revenue Service Form 1099 Tax Reporting

In addition to DCIA, the TIN is required for the Form 1099-MISC, Miscellaneous Income, tax reporting process. Agencies must identify which payments require 1099 tax reporting (regardless of the order amount) by placing an **X** in the appropriate **Yes** or **No** box in Block 9c, Form 1099, on the AD-838.



Caution

All nonforeign corporation are now subject to IRS 1099 tax reporting. On August 5, 1997, the Taxpayer Relief Act of 1997, Public Law 105-34, 1022(a), was enacted. This act added paragraph (3), Payment to Corporations by Federal Executive Agencies, to Internal Revenue Code Section 6041A, Returns Regarding Payments of Remuneration for Services and Direct Sales, Subsection (d), Application to Government Units. This addition made all nonforeign corporations subject to 1099 tax reporting.

To comply with provisions of the Privacy Act and the Paperwork Reduction Act in securing the payee's TIN, procurement offices should provide the vendor with a W-9. This form will assist agencies in obtaining the TIN and in determining if the vendor is subject to IRS 1099 tax reporting. On the W-9, the vendor indicates the type of business entity (e.g., individual/sole proprietor, corporation, or partnership) which will assist in determining if 1099 tax reporting is required. It also includes a Privacy Act Notice advising the vendor of the mandatory disclosure, authority, purpose, and use of the TIN (i.e., to identify the payee for Federal income tax reporting purposes). The W-9 can be obtained from local IRS offices or be reproduced using the sample in [Appendix C](#). Do not forward the W-9 to NFC. Agencies should keep the W-9 for future reference in case the agency does business with the vendor again.

The following guidelines and information contained on the W-9 should be used by procurement offices in determining 1099 tax reporting required by IRS.

- IRS requires Form 1099 tax reporting for the following type payments: interest, rents, royalties, awards, fees, commissions, compensation to individuals who are not paid by USDA's Payroll/Personnel System, and compensation for personal services contracts.
- The recipients of payments can be individuals, corporations, trusts, estates, partnerships, associations, unincorporated companies.
- Form 1099 reporting **is not** required for nonresident aliens, foreign corporations, and governments (federal, state, city, etc.). Foreign corporations and nonresidence aliens may be required to complete IRS Form-1042S, U.S. Source Income Subject to Withholding. (Contact IRS for additional information.)
- Agencies must indicate when 1099 tax reporting is required **regardless** of the amount of the payment.

NFC is the payer and has the responsibility to compile the total income and submit a Form 1099 statement of income to the payee and IRS at the end of the calendar year when the cumulative total of payments exceed \$600. (Payees are responsible for reporting amounts less than \$600 on their individual income tax returns.) Agencies should **not** prepare a Form 1099.

Correcting 1099 Tax Reporting Information. When a change to the Form 1099 tax reporting file is required (for example, payment incorrectly reported or error in the name or address of the Form 1099 recipient), agencies should notify NFC. If payment has been made to the vendor, submit a written notice to the NFC Purchase Order Section using Form AD-354, Request For Information. Include a complete identification of the payment and a complete description of the correction. The payee's tax reporting file will be updated accordingly.

If payment has not been made or if a payment(s) has been made but the order is still active, agencies should submit an amended AD-838 with corrected data. This action will ensure that future payments are processed correctly.

Tax Exemption Certificates

NFC is solely responsible for issuing tax exemption certificates as required by vendors. The issuance of a Form SF-1094, U.S. Tax Exemption Certificate, is not required by all vendors and because of varying purchasing conditions are not issued from PRCH. If a vendor needs a tax exemption certificate, procurement officials should instruct the vendor to request this information by letter to NFC. The Purchase Order Section of NFC will respond by forwarding Form NFC-825, Letter To Vendor ([Exhibit 1](#)). This letter serves as a blanket tax exemption certificate for merchandise or services purchased by an agency from a vendor. If the NFC-825 is not acceptable by the vendor, NFC will issue an SF-1094 when specifically requested.

PRCH Data Entry Systems

To improve the quality and accuracy of transactions, PRCH provides the capability for agencies to enter purchase order obligation, and Type 40 receiving report data from terminals at remote locations. This data can be entered through PRCHENT (the online system), PC-PRCH (the off-line PC system), or an agency-certified electronic purchase order system. These specialized data entry systems are used by agencies to edit and submit purchase order data to the mainframe at NFC. This capability gives agencies additional control and improves the operational efficiency and effectiveness of data processing. The front-end edits built into these systems reduce the overall reject rate of documents received by NFC, thereby, lowering processing costs. If your agency electronically enters purchase order obligation and receiving report data, PRCHENT instructions can be found in Title VI, Chapter 7, Section 1; PC-PRCH instructions are in Title VI, Chapter 7, Section 2, and PC-PRCH instructions for Rural Development and FSA are in Title VI, Chapter 7, Section 13.

If your agency does not have the capability to electronically enter AD-838 obligation and receiving report data from terminals at your location and is interested in obtaining more information, contact Information Center personnel at **504-255-5230**.

Criteria For Purchase Order Closeout To History

All completed purchase orders are retired to a history file. Open purchase orders may remain aging in an active master file for 2 years. During this period, open orders may be removed from the active master file by the processing of a complete receiving report and the order paid out, or a cancellation amendment (*CN* in the Sub block on the AD-838). After 2 years and with no recent activity, NFC will deobligate and move the order to history unless specifically directed otherwise by the procurement office.

Aged purchase order obligations are identified by NFC to agencies on the turnaround quarterly report PRCH74-10, Orders Undelivered In Excess Of 180 Days ([Exhibit 19](#)), and the turnaround semiannual report PRCH81-01, Inactive Purchase Orders ([Exhibit 20](#)). Orders are closed out and moved to history based on agency response.



Note

Agency procurement offices have full control over the amount of obligated funds held in the aging and inactive purchase orders identified on these reports. When the determination is made that no further purchasing activity is expected, a completed receiving report or a cancellation must be submitted to close the order and release (deobligate) the funds for current and future procurement activity. It is important to process complete receiving reports or cancellation amendments to deobligate funds in PRCH, otherwise large amounts of agency funds can be rendered unusable for current and future procurement purposes.

The following criteria is used by NFC for moving purchase orders to the history file.

Type 40. These orders are moved to history 30 days after a payment has been made that leaves no undelivered balance. If an undelivered balance remains, the order is deobligated after 30 days. The actual move to history takes place after 60 days if the payment was equal to 90 percent or more of the order value, or 120 days if the payment was less than 90 percent of the order value. Freight on the order without a

freight payment delays the history move for an additional 60 days. Canceled orders are deobligated upon receipt of the cancellation amendment and moved to history 30 days thereafter.

Type 41. These orders are moved to history 30 days after a payment that leaves no undelivered balance. If an undelivered balance remains, the order is deobligated after 30 days. The actual move to history takes place after 60 days if the payment was equal to 90 percent or more of the order value, or 120 days if the payment was less than 90 percent of the order value. Freight on the order without a freight payment delays the history move for an additional 60 days. Canceled orders are deobligated upon receipt of the cancellation amendment and moved to history 30 days thereafter.

Type 42. These orders are moved to history 60 days after the entire order value has been paid or the order has been canceled.

Type 43. These orders are moved to history 30 days after a complete receiving report and payment leaving no undelivered balance. If an undelivered balance remains after the payment, the order is deobligated after 30 days. However, the actual move to history takes place after 90 days when the payment is equal to 90 percent or more of the order value or, 150 days when the payment is less than 90 percent of the order value. Freight on the order without a freight payment delays the history move for an additional 60 days. Canceled orders are deobligated upon receipt of the cancellation amendment and moved to history 30 days thereafter.

Type 45. These orders are deobligated upon receipt of agency response to PRCHB6 Report 01, Open Blanket Purchase Agreements As Of XX/XX/XXXX ([Exhibit 7](#)), indicating that the order should be canceled. Canceled orders are moved to history 30 days thereafter.

Type 60. These orders are moved to history upon receipt of written notice from Rural Development or FSA.

Responsibilities

The responsibilities of the primary organizations involved in data processing and system maintenance for PRCH are as follows:

NFC will:

- Establish and maintain master file records and transaction files for PRCH items.
- Maintain the general ledger, budget cost, and subsidiary records for PRCH items.
- Establish accounting requirements and provide accounting/management reports to agencies.
- Perform a manual audit on selected invoices over \$1,000 under the statistical sampling procedures.
- Ensure audit review of invoices for \$1,000 or less by using statistical sampling techniques to require receipt verification from the agency on selected purchase orders.

- Establish payment due dates consistent with sound cash management practices and makes payments to vendors in accordance with provisions of the Prompt Payment Act.
- Comply with the requirements of the Debt Collection Improvement Act (DCIA) of 1996.
- Take collection action for payments made in advance of vendor shipment when the receiving office is unable to obtain delivery (including shortages, damages, or unacceptably delayed orders).
- Analyze the history of collection activities for trends (such as unusual number of nondelivery of goods or services by specific vendors).
- Compile payments for each TIN during the calendar year when the cumulative total of payments exceeds \$600. Issue 1099–MISC to the payee and provide that information to IRS at the end of the calendar year.
- Issue NFC–825 ([Exhibit 1](#)) to sellers for Blanket Tax Exemption Certificates when requests are received for authority to issue invoices on a tax exemption basis.
- Provide technical support to agencies.
- Secure missing documentation by telephone contact with the agency. Specifically when an invoice is at risk for the payment of interest penalties.

OCFO, Office of Operations will:

- Serve as the liaison for agencies with regard to user requirements for PRCH.
- Ensure that PRCH is consistent with FAR regulations.
- Coordinate agency requirements with NFC.

The Agency will:

- Ensure that procurement officers use the guidelines in this procedure to eliminate payment delays.
- Ensure that the GSA FEDSTRIP requisitioner number office address is current so that agency reporting will be promptly received. (See [Action By Agencies Who Are Not Receiving Memorandums/Reports](#) under **Reports**.)
- Implement a PRCH management program to ensure that paper reporting sent to agencies and reporting available through PRCHINQ are timely monitored, and missing documentation (i.e., obligation order, amendments, and Type 40 receiving reports over \$1,000, and those that are required for \$1,000 or less) are promptly submitted to NFC so that a vendor's invoice can be paid by the due date. Attention to these matters avoids late payment interest penalties and time consuming/costly telephone contact by NFC to secure this information.
- Assign responsibility and accountability for all purchases to ensure that they are in compliance with department, agency, and FAR regulations.
- Ensure that the approval level of the representative designated by the agency for procurement authority is higher than a procurement officer. This is in response

to the procurement authorization notice ([Exhibit 16](#)) sent to agencies for verification of a procurement officer's authority.

- Notify the Purchase Order Section at NFC of corrections, additions, or deletions to the Procurement Authorization Certification File.
- Ensure that procurement officers use **current catalogs when ordering goods to help reduce the necessity** of amendments increasing the unit price of the item.



Note

When outdated catalogs are used and the order was not amended to include the extra cost, the amount on the invoice may be over tolerance levels which necessitates agency contact by NFC prior to payment.

- Establish controls to ensure that items ordered are received based upon anticipated time goods or services are expected for delivery. If the vendor does not deliver within the specified time, initiate follow-up action with the vendor.
- Instruct vendors to clearly indicate their remittance address on invoices so that payments are not misdirected.
- Ensure that PC-PRCH users promptly update the tables when changes are made to accounting and other codings used on the order.



Note

Maintain Tables is an operation option on the main menu of PC-PRCH for Access Levels 2, 3, 5, 6, and 7. These tables are used to validate purchase order data keyed in by users.

- Provide the vendor's TIN and DD/EFT information in compliance with DCIA.
- Identify purchase order payments that require 1099-MISC tax reporting, and ensure that 1099's are not issued by the agency when payments are made through NFC.
- Ensure that receiving reports for Type 40 orders of \$1,000 or less are not sent to NFC unless they are required by the agency (Code **R** in Block 9), or NFC has notified the agency that the order was selected by statistical sample as one that requires a receiving report before or after payment.
- Ensure that receipt documentation is retained by agency offices for Type 40 orders of \$1,000 or less as a record of receipt of goods and services, and as a means of responding to any audit verification. Maintenance of these records and the use of the existing receiving report forms will depend on the agency policy.
- Retain receipt documentation in accordance with the guidelines published by GSA in General Records Schedule (GRS)-3.
- Ensure that the billing address on the seller's original part of the order for Types 43, 45, and 60 orders is changed to reflect the agency address so that the invoice is mailed directly to the agency and not to NFC.
- Ensure that the billing address is deleted on the seller's original part of the order for Type 41 with a **P** in Block 9, Sub. The P indicates that contact with the vendor disclosed an invoice will not be forwarded to NFC.
- Ensure that AD 838-B for Type 43, AD-838D for Type 45, and FmHA 838-B for Type 60 are promptly submitted to NFC to avoid possible interest penalties.

Reports

PRCH generates periodic reports, letters, and check enclosure information to agencies and vendors. To comply with the Prompt Payment Act and to avoid interest penalties, agencies are requested to promptly respond to NFC requests for additional documentation prior to processing payment of a vendor's invoice. A description of the reports generated from PRCH are as follows:

PRCHA1 Report 01, Rental Purchase Agreements–Type 42 To Be Reestablished For FY 19XX (Exhibit 2). This is an annual report of Type 42 orders on NFC active files. This report is sent to the procurement office designated on the AD–838 in Block 8, Order Number (positions 3 through 6), with an instructional cover memorandum attached to the front of the report. The memorandum includes an explanation that the report is to be used as a turnaround document listing Type 42 orders that may be automatically reestablished for the next fiscal year.

This report eliminates the preparation of a new order when the same rental continues into the next fiscal year. The procurement officer records changes and authorizes reestablishment of the order. The system automatically changes the order number and accounting data to reflect the new fiscal year.



The key to successful use of the turnaround listing is reserving a block of purchase order numbers so they are available each year for the exclusive use of facility rentals. If you cannot reuse the same purchase order number to renew the facility rental, a new purchase order must be processed.

PRCHA3 Report 01, Rental Purchase Agreements–Type 42 Reestablished For FYXX (Exhibit 3). This is a proof list that reflects all orders reestablished by NFC for the next fiscal year as authorized by the agency procurement official on the turnaround document, PRCHA1 Report 01. The procurement office should verify the action taken by NFC.

PRCHA4 Report 01, Subscriptions To Be Renewed (Exhibit 4). This is a quarterly report of Type 41 orders on NFC active files. This report is sent to the procurement office designated on the AD–838 in Block 8, Order Number (positions 3 through 6), when a subscription approaches expiration. An instructional cover memorandum is attached to the front of the report. The memorandum includes an explanation that the report is a turnaround document listing Type 41 orders that will expire within 90 days. A duplicate listing is attached to each report identifying the receiving office. The requisitioning office can use this duplicate report as a turnaround sheet to request receiving office approval before renewing the subscription.

This report eliminates the preparation of a new order when the same order continues into the next subscription period. The procurement officer records changes and authorizes reestablishment of the order. The system automatically changes the order number and the accounting data to reflect the next fiscal year.



The key to successful use of the turnaround listing is reserving a block of purchase order numbers so they are available each year for the exclusive use of subscriptions. If you cannot reuse the same purchase order number to renew the subscription, a new purchase order must be issued.

PRCHB5 Report 01, Subscriptions Reestablished (Exhibit 5). This is a proof list that reflects Type 41 orders reestablished by NFC for the quarterly period identified in PRCHA4 Report 01. The procurement office should verify action taken by NFC.

PRCH Report A7-01, AD-838 Invoices In Suspense Awaiting Receiving Reports (Exhibit 6). This is a listing that identifies invoices for Type 40 orders that remain unpaid because the receiving report has not been received at NFC. It is distributed monthly to the agency accounting station designated on the AD-838 in Block 7, Fund Code, and the procurement office designated on the AD-838 in Block 8, Order Number (positions 3 through 6). Agencies should immediately review this report and if delivery has been received, take the appropriate action to timely submit the receiving information to NFC.

PRCHB6 Report 01, Open Blanket Purchase Agreements As Of XX/XX/XX (Exhibit 7). This is an annual report of Type 45 BPA's on NFC active files. This report is sent to the procurement office designated on the AD-838 in Block 8, Order Number (positions 3 through 6), with an instructional cover memorandum. The memorandum includes an explanation that the report is to be used as a turnaround document listing Type 45 orders that may be automatically reestablished or canceled for the next fiscal year.

This report eliminates the preparation of a new order when the same agreement continues into the next fiscal year. The procurement officer records changes, and authorizes reestablishment or cancellation of the order onto the report. It is returned to NFC so that the authorized changes can be made to the system.



The order number remains the same through the life of the BPA.

PRCHB6 Report 02, Proof List Of Blanket Purchase Agreements As Of XX/XX/XX (Exhibit 8). This is a proof list that reflects all Type 45 orders reestablished by NFC for the next fiscal year as authorized by the agency procurement official on the turnaround document of PRCHB6 Report 01. The procurement office should verify action taken by NFC.

PRCH10-11, Payment Notification (Exhibit 9). This is a letter that notifies the vendor that a duplicate invoice was received or that the order has been totally paid. All prior payments made against the order are identified for verification.

PRCH10-12, Payment Notification (Exhibit 10). This is an instructional memorandum prepared for a Type 41 purchase order with a P in Block 9, Sub. This memorandum notifies the procurement office that an invoice was received for an order that does not require an invoice. When NFC receives the obligation, payment is made immediately. It also instructs the agency to omit the P in the Sub block when the vendor will render an invoice. It is generated by the system simultaneously with PRCH10-11 sent to the vendor.

PRCH10-13, Vendor Invoice No. (Exhibit 11). This is an instructional letter notifying the vendor to verify the Type 40 or 41 order number on the invoice because it does not match an order on the master file at NFC. If the order number shown on the invoice is correct, the agency should immediately forward a copy of the purchase order obligation to NFC so that the payment can be processed.

PRCH10–14, Vendor Invoice No. (Exhibit 12). This is an instructional memorandum prepared for Type 43, 45, and 60 purchase orders. This memorandum is sent to the procurement office designated on the AD–838 in Block 8, Order Number (positions 3 through 6). It notifies the agency that both receiving report and invoice are held in suspense pending verification of the order number indicated on the invoice and Forms AD 838–B, AD–838–D, or FmHA 838–B because it does not match an order on the master file at NFC. If the order number shown on the invoice is correct, the agency should immediately forward a copy of the purchase order obligation to NFC so that the payment can be processed.

PRCH10–15, Vendor Invoice No. (Exhibit 13). This is a memorandum for a Type 40 or 41 order notifying the agency to verify the order number on the invoice because it does not match an order on the master file at NFC. This memorandum is generated by the system simultaneously with PRCH10–13 (Exhibit 11) and is sent to the agency procurement office. If the order number shown on the invoice is correct, the agency should immediately forward a copy of the purchase order obligation to NFC so that the payment can be processed.

PRCH40–90, Letter To Seller – Discrepancy In Delivery Causing Delayed Payment (Exhibit 14). This is a letter to the vendor generated when a response is marked on line E of PRCH 40–91. This letter indicates that the consignee has reported a discrepancy in the delivery of goods or services for a specified order. It advises the vendor of a delayed payment informing the vendor to contact the procurement office to resolve the problem so that payment can be released.

PRCH40–91, Invoice Received For Payment (Exhibit 15). This is a memorandum sent to the receiving office designated on the AD–838 in Block 2, Receiving Office No. This memorandum is run with PRCH 96–01 (Exhibit 24) and requests a receiving report for a Type 40 order that has been at NFC for 7 days with no record of a receiving report or other response. It provides instructions to the agency to indicate the status of the order. If no response to this memorandum is received, a followup notice is sent to the procurement office designated on the AD–838 in Block 8, Order Number (positions 3 through 6), every 14 days thereafter.

The receiving/procurement office should take immediate action to identify the requirements needed to expedite payment. To avoid late payment interest penalties, immediately enter the partial or complete receiving report through PRCHENT, PC–PRCH, or an agency-certified electronic purchase order system. Agencies that do not have access to PRCHENT, PC–PRCH, or an agency-certified electronic purchase order system should fax to NFC the signed receiving report requiring immediate processing. The NFC Purchase Order Section’s fax number is **504–255–6136**.

PRCH43–51, Purchase Order Notice To Procurement Office–Subject: Verification Of Procurement Or Other Required Authorization (Exhibit 16). This is a notice to the representative designated by the agency asking for verification that the individual who signed the purchase order has the authority to sign the order to obligate funds or to procure goods or services. The order identified on the notice is selected by random sampling. This notice should be completed and returned to NFC immediately. If the invoice is received, payment will be delayed and subject to costly interest penalties in accordance with the Prompt Payment Act.

PRCH43–54, Subject: Funds Depleted On Purchase Order No. (Exhibit 17). This is a memorandum to the procurement office designated on the AD–838 in Block 8, Order Number (position 3 through 6). This memorandum is used to request an amendment to the order when the initial obligation has been exceeded and the order is still incomplete.

Report 46–17 (and 93–01 Used By Rural Development And FSA), Proof Of Purchase Order Payments (Exhibit 18). This is a list of paid orders in purchase order number sequence issued to procurement offices designated on the AD–838 in Block 8, Order Number (positions 3 through 6). This report summarizes payments made during a specified week. This list should be used by procurement offices to determine the validity of payments and to monitor the status of all purchase orders.

PRCH74–10, Subject: Orders Undelivered In Excess Of 180 Days (Exhibit 19). This is a list of Type 40 and 41 orders which are partially or totally undelivered for more than 180 days. Also included are prior year Types 43 and 60 orders which are not delivered. It is issued quarterly and is prepared in receiving office number and procurement office sequence. It is a turnaround document sent to the procurement office designated on the AD–838 in Block 8, Order Number (positions 3 through 6), to review and cancel unpaid orders no longer determined valid obligations.

To cancel an open order, the responsible procurement official enters *CN* in the Cancel Indicator column of the report, signs the report, and returns the entire report to NFC. This action eliminates the need to complete an AD–838 to cancel an order. PRCHENT, PC–PRCH, and agency-certified electronic purchase order system users can cancel purchase orders listed on this report by entering a cancellation amendment through their system. In this instance, the report should **not** be returned to NFC. Purchase orders that were not cancelled will appear again on the next report.

PRCH81–01, Inactive Purchase Orders (Exhibit 20) This is a semiannual report sent to the procurement office designated on the AD–838 in Block 8, Order Number (positions 3 through 6), when an order has been inactive for 2 years and 150 days (880 days). This report identifies the inactive orders and informs the agency that the orders will be deobligated and moved to history within 90 days unless the agency specifically identifies valid obligations. Instructions are provided on the report. If NFC is not notified to retain the orders within 90 days of the report date, it will be automatically deobligated and moved to history.

PRCH88–88, 40 Type Purchase Orders With Receiving Report And No Invoice After 45 Days (Exhibit 21). This is a notice sent to the procurement office designated on the AD–838 in Block 8, Order Number (positions 3 through 6), to assist in the monitoring of Type 40 orders. The orders listed on this report are supported with a receiving report and no invoice received after an expiration period of 45 days and no payment activity for 90 days.

PRCH91–02, Status Of Orders Not Requiring Advance Receiving Reports (Exhibit 22). This is a notice sent to the receiving office designated on the AD–838 in Block 2, Receiving Office No., to request receipt status on orders for \$1,000 or less. The orders are selected under postpayment statistical sampling techniques at the end of the month in which payment was made. If no response is received from the receiving office within 15 days, a second notice is sent to the procurement office designated on

the AD-838 in Block 8, Order Number (positions 3 through 6), for response. Additional notices to the procurement office are issued each 30 days thereafter until a response is obtained.

PRCH92-01, Subject: Notice Of Receipt Required (Exhibit 23). This is a memorandum sent to the procurement office designated on the AD-838 in Block 8, Order Number (positions 3 through 6), when an order for \$1,000 or less has been identified to require a receiving report prior to payment of a vendor's invoice or has been selected as part of the statistical sample procedure which requires a receiving report prior to payment.

PRCH96-01, Invoice Received For Payment (Exhibit 24). This is a letter sent to the vendor when an invoice becomes 7 days old and the receiving report has not been received by NFC. This letter is produced from the system simultaneously with PRCH40-91 (Exhibit 15).

PRCH124-1, Vendor Letter, RE: Invoice Number XXXXX (Exhibit 25). This is a letter sent to the vendor to provide the reason their invoice remains unpaid.

Notice To Check Recipient (Exhibit 26). This is a computer-generated check identification record sent with payment to vendors. This record contains check identification data including the invoice and purchase order number, and if applicable, an explanation of differences between the amount claimed on the invoice and the amount approved for payment (e.g., time discount collected and/or interest penalties added).

PRCH Report No. 11, Form SF-281, Federal Procurement Data System (FPDS) Summary Contact Action Report (\$25,000 Or Less)(Exhibit 27). This is a quarterly summary contract action report of procurement activity for contract actions of \$25,000 or less. Data on this report is collected from information entered on the AD-838 in Block 5, SF-281. This report is sent to the agency procurement office to provide information that agencies can use to accomplish their SF-281 reporting requirements. Agencies will implement procedures, as necessary, to supplement the information furnished on the NFC prepared SF-281 summary with other contract orders not placed through PRCH.

PRCHB8 Report 17 (SF-281) Detail Purchase Office Proof Listing (Exhibit 28). This is a report used in conjunction with PRCH Report No. 11. It is produced quarterly and contains a detail proof listing of individual purchase order numbers and amounts of \$25,000 or less for each type SF-281 code. It is distributed to the procurement office for the purpose of verifying information furnished on their orders processed in PRCH using data furnished on the AD-838 in Block 5, SF-281.



Reports that are specific to a single agency (for example, Rural Development and FSA Type 60 reporting) are not included in this procedure. Those offices should contact their agency headquarters for guidance.

Action By Agencies Who Are Not Receiving Memorandums/Reports

The memorandums/reports that are mailed to the **receiving** and **procurement** office locations are addressed to the GSA FEDSTRIP requisitioner number office address. This is the address that each procurement office obtains from GSA when it is first established as a procuring office.

If these memorandums/reports are not being received by your agency, verify the agency address by contacting GSA's Supply Management Division at **703-305-7977**. GSA will provide you with a contact point within your agency. That contact point will submit written notification to GSA to authorize a correction. Agencies do not need to advise NFC of this address change as GSA will notify NFC of changes to this file via magnetic tape.

Agency **accounting stations** that are not receiving **PRCH Report A7-01** should verify their address with NFC by calling the Purchase Order Section at **504-255-4724**. If a correction is necessary, send a written notice to:

Payroll Accounting Section
National Finance Center, USDA
P.O. Box 29310
New Orleans, LA 70129-0001



In addition to the memorandums/reports generated by PRCH, the Purchase Order Section at NFC makes individual telephone contact with agencies to secure missing receipt documentation when an invoice is at risk for the payment of interest penalties. This action is time consuming and costly; therefore, agencies are asked to ensure that receiving documentation is forwarded to NFC timely so that invoices can be paid by the due date.

Action By Agencies After The Memorandums/Reports Are Reviewed

After the memorandums/reports are reviewed by the appropriate agency office, immediate action should be taken by that office to identify the documentation that is needed to process the payment to the vendor. If delivery was received, or if the invoice remains unpaid because the receiving report was not received at NFC, immediately enter the partial or complete receiving report or the purchase order, as appropriate, through PRCHENT, PC-PRCH, or the agency-certified electronic purchase order system. Agencies that do not have access to PRCHENT, PC-PRCH, or an agency-certified electronic purchase order system should fax the AD-838 and/or receiving report (AD-838-7P, Receipt Copy) to the Purchase Order Section at NFC for immediate processing. The fax number is **504-255-6136**. If fax confirmation is necessary, call **504-255-3159**.

Type 40 Completion Instructions

This section provides specific instructions for completing an AD-838, a receipt copy of the AD-838, and an AD-838A. This section also includes additional information for Type 40 orders such as examples of additional action codes for Block 13, orders marked to require a receiving report, multi-agency procurement, foreign vendor procurement, etc.

Type 40 Completion Instructions For An AD-838, Purchase Order

To procure goods or services for a fixed cost and quantity with an anticipated one-time vendor payment, prepare a Type 40 AD-838 ([Figure 1](#)) using the guidelines described below.



Caution

(1) Agency procurement offices are reminded to timely submit to NFC the receiving reports for Type 40 purchase orders over \$1,000. (See [Type 40 Orders Over \\$1,000 And Orders For \\$1,000 Or Less Marked To Require A Receiving Report](#) under **Additional Information For Type 40 Orders** for more information.)

(2) To indicate a difference between the zero and alpha O used in alphanumeric blocks, slash the zeros and unslash alpha O's.

The following instructions correspond to the block numbers indicated on the AD-838. Complete the blocks as follows:

For Agency Use Only
*Optional, alphanumeric,
20 positions max.*

Enter the requisitioner identification or other data required by your agency. This information will not print on the Seller's original.

① **Page No.**
Required, numeric

Enter the page number and total pages in the order (1 of 4, 2 of 4, etc.).

② **Receiving Office No.**
*Required, alphanumeric
7 positions max.*

Enter the last four positions of the GSA FEDSTRIP requisitioner number of the office responsible for answering inquiries concerning receipt of the order. **Do not** include the first two positions of that number.

- If two or more offices will be forwarding receiving reports directly to NFC for goods and services, enter **M** in the 5th position followed by two digits representing the number of receiving offices involved. For example, XXXXM02 indicates two receiving offices. The requisitioner office is contacted for answers regarding shipment. Also enter the multiple consignee names, addresses, and telephone numbers in Block 14, Description, as illustrated on ([Figure 1](#)).
- Do not enter **M** when the procurement office desires to submit a consolidated receiving report to NFC and multiple offices are to receive the items.

FOR AGENCY USE ONLY			UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER																
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO. XXXXM02		3 CONTRACT NUMBER OM		4 ORDER DATE 11/01/1996		5 SF-281 EP		6 UNIT CODE		7 FUND CODE NC		8 ORDER NUMBER 40-XXXX-7-1		9 SUB.			
9a TYPE PURCHASE (Check one)						9b SELLER'S IDENT. NO. 12-3456789				9c FORM 1099 <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				9d TAXPAYER'S IDENT. NO. 12-3456789					
<input checked="" type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER						10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) Sample, Inc. 25 West Ave. VXP 123456789 Anywhere, IL 60647-0123 312-227-XXXX													
11 SHIP TO ▶						11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance USDA, National Finance Center 13800 Old Gentilly Rd. New Orleans, LA 70129-2238													
						PHONE (A/C & No.) 504-255-XXXX Check One ▶ FTS ▶ COMM ▶													
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
01				Lamp, Projector, ELH #5120				2670		X		10		EA		12.3415		123 42	
02				ST-1321, Antenna				2670		X		10		EA		50.00		500 00	
03				TEKA-40, Cable				2670		X		10		EA		30.00		300 00	
04				2140H, Battery				2670		04		10		EA		25.00		250 00	
Ship 5 of each line item to: USDA, National Finance Center 4432 Poche Court West New Orleans, LA 70129-2238 AND Ship 5 of each line item to: USDA, National Finance Center 13800 Old Gentilly Rd. New Orleans, LA 70129-2238																			
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)(1).																			
21 F.O.B. POINT Destination				22 DISCOUNT AND/OR NET PAYMENT TERMS 2% 10 days net 30				22a TYPE COMMODITY/PAYMENT CODE ▶ 0				Sub-Total ▶				25 1173 42			
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/28/1997				24 SHIP VIA				26 ESTIMATED FREIGHT 0				TOTAL ▶				27 1173 42			
28 ACC LINE		A		B		C		D		E		30 DISTRIBUTION		31 AMOUNT					
- 2		5		10		5 3		4		1 4 1 2		2							
01		XXXXXXXX										25%		230 86					
02		XXXXXXXX										25%		230 85					
03		XXXXXXXX										50%		461 71					
04		XXXXXXXX												250 00					
31a ISSUING OFFICE NAME AND ADDRESS USDA, National Finance Center P.O. Box 60000 New Orleans, LA 70160-0001										31b ORDERED BY (Name and Title) Jane Smith, Procurement Officer									
										31c COMMERCIAL PHONE (Area Code and Number) 504-255-XXXX					31d FTS PHONE NO.				
										31e AUTHORIZED SIGNATURE									
NFC																			
FORM AD-838-7 (Rev. 7/90)																			

Figure 1. Form AD-838 (Type 40) (sample)



To promptly receive reporting that is generated by PRCH, it is important that the requisitioner office address be current. Changes must be submitted in writing by the agency contact point through the GSA, Supply Management Division, Washington, DC 20406. Agencies can verify their address by calling **703-305-7977**. (See [Reports, Action By Agencies Who Are Not Receiving Memorandums/Reports](#) under **Introduction** for details.)

③ **Contract Number**
*Required, alphanumeric
20 positions max.*

Enter a contract number or **OM** for open market. If a combination of both, the higher dollar amount governs.

④ **Order Date**
*Required, numeric
8 positions*

Enter the date (mm/dd/yyyy) the order was placed with the vendor and not the date the order was prepared. The current date must not be exceeded and must be in the fiscal year indicated in the order number.

⑤ **SF-281**
*Required, alphanumeric
2 positions*

Enter the appropriate SF-281 code ([Appendix D](#)) to identify the method of procurement and type of business. (Data in this block permits NFC to collect the information needed to provide quarterly SF-281 reporting ([Exhibits 27](#) and [28](#)) of procurement activity for agencies to submit to FPDC.)

⑥ **Unit Code**
*Conditional, numeric
2 positions*

Used by Forest Service (FS) only. If not FS, skip this block. If FS, enter the unit code.

⑦ **Fund Code**
*Required, alphanumeric
2 positions*

Enter the NFC assigned fund code applicable for the accounting classification in Block 28.

⑧ **Order Number**
*Required, alphanumeric
12 positions max.*

Enter the purchase order number as follows:

- The 2-digit **purchase order type** beginning with 40.
- The 4-position **GSA FEDSTRIP requisitioner number** of the office responsible for placing the order.
- The 1-digit **fiscal year**.
- The agency-unique **control number** (*5 positions max.*) for the respective ordering office, usually beginning with number one for the first purchase order of the fiscal year. (It is not necessary to enter leading (left) zeros.)

⑨ **Sub.**
*Conditional, alphanumeric
2 positions max.*

Enter the 1- or 2-position amendment number or special condition code. (See [Appendix E](#) for amendment criteria and sub identifiers, and [Special Sub Codes That Can Be Used On Type 40 Orders For \\$1,000 Or Less](#) listed below.)

Special Sub Codes That Can Be Used On Type 40 Orders For \$1,000 Or Less. By using the following special codes in the Sub block, the procurement office can identify Type 40 orders of \$1,000 or less that should not be paid without a receiving report. For orders identified with these codes, NFC will require a receiving report prior to payment of a vendors invoice.

- To withhold payment until NFC receives the receiving report enter **R** in Block 9. This code is used when a receiving report is essential on the initial purchase order.



Caution

Initial orders of over \$1,000 that are decreased by amendment to \$1,000 or less without the use of the sub code R will continue to require the usual receiving report to NFC prior to payment.

- To withhold payment until NFC receives the receiving report after the initial order has been sent to NFC for obligation and before payment is made to the vendor enter **RI** in Block 9. This code is used when the procurement office subsequently determines that a receiving report is essential. (The 1 indicates that this is the first amendment to the order.)



Caution

This code can only be used after the initial order has been sent to NFC for obligation and before payment is made to the vendor.

- To withhold payment until NFC receives the receiving report and direct application of the lower tolerance amount to the order value enter **RT** in Block 9. (The lower tolerance allows \$15 more than the total value of the order (excluding freight) plus an additional payment of \$15 when the freight charges invoiced for the order exceed the obligated estimated freight.) This code is used to amend an order when the procurement office subsequently determines that a receiving report is essential. It can only be used after the initial order has been sent to NFC for obligation and before payment is made to the vendor.



Warning

To remove sub codes **R**, **RI**, or **RT**, the entire order must be canceled and reissued under a new order number.

- To pay within the lower tolerance amount of \$15 more than the total value of the order (excluding freight) when billed for more than the total value of the order enter **TT** in Block 9. An additional \$15 is allowed when the accumulated freight charges invoiced for the order exceed the obligated estimated freight. (For more information see [Tolerance Criteria](#) after Block 27.)

9a Type Purchase
Required, alphanumeric
1 position

Enter **X** in the purchase order box when the order involves a purchase order or enter **X** in the delivery order box when the purchase covers a delivery order.

- A **purchase order** is an offer by the Government to buy goods or services upon specified terms and conditions using simplified acquisition procedures.
- A **delivery order** is an order for goods or services placed against an established contract or with Government sources of supply.

9b Seller's Ident. No.
Required, numeric
9 positions

Enter the vendor's TIN. Valid formats for the TIN are the EIN (formatted 00-0000000) or the SSN (formatted as 000-00-0000).

Form 1099

9c Required, alphanumeric
1 position



Enter **X** in the No box when IRS Form 1099 tax reporting is not required or enter **X** in the Yes box when the seller is subject to IRS Form 1099 tax reporting.

All nonforeign corporations are now subject to IRS 1099 tax reporting. (For more information concerning the 1099 tax reporting process, see **Overview, [Internal Revenue Service \(IRS\) Form 1099 Tax Reporting](#)** under **Introduction.**)

Taxpayer's Ident. No.

9d Required, numeric
9 positions



Enter the seller's TIN. Valid formats for the TIN are the EIN (formatted 00-0000000) or the SSN (formatted as 000-00-0000).

The TIN is required for DCIA compliance and 1099 tax reporting. However, foreign vendors and intergovernmental payments may not be required to have a TIN. In these cases, leave this block blank and be sure to enter an appropriate foreign vendor or intergovernmental code in Block 5, SF-281. (See **Overview, [Complying With The Debt Collection Improvement Act of 1996](#)** under **Introduction** for more information.)

10 **To: Seller's Name,
Address, City, State, ZIP
Code, and Phone No.**
Required, alphanumeric



On the **first** line enter the seller/vendor name (*34 positions max.*). On the **second** line enter the street address or post office box number (*32 positions max.*). On the **third** line enter any additional address data needed (*24 positions max.*). If the vendor has been enrolled in Vendor Express, enter the 9-digit Vendor Express ID number on the third line (for example, VXPXXXXXXXXX). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*). On the **fifth** line enter the area code and telephone number (*10 positions*) of the vendor.




DCIA requires vendors to receive payments electronically unless the vendor certifies that an account at a financial institution is not available. When contracting for goods or services with a new vendor, the agency is required to obtain necessary banking information for enrollment in the Vendor Express program. Starting January 1, 1999, all Federal payments will be made by DD/EFT unless a waiver is approved. Agencies should refer to the Vendor Express procedure (Title II, Chapter 1, Section 2) for more information. Agencies can also contact the NFC Administrative Payments Branch, Miscellaneous Payments Section, at **504-255-4647** for information concerning Vendor Express and to obtain the Vendor Enrollment Package required for implementation. Vendors can contact this section by calling toll-free **1-800-421-0323**.

11 **Ship to: Consignee,
Address, ZIP Code, and
Place of Inspection and
Acceptance**
Required, alphanumeric

On the **first** line enter the name of the agency (*34 positions max.*) that will receive and inspect the order. On the **second** line enter the street address (*32 positions max.*) where delivery is required. On the **third** line enter any additional address data needed (*32 positions max.*). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*).

Phone (A/C & No.)
Required, numeric
10 positions.

Enter the telephone number of the consignee. If a commercial number, enter **X** in the Comm. box.

- Line Item**
(12) Required, numeric
2 positions
- Enter the line item number beginning with **01** through **99**.
- Act Code**
(13) Conditional, alphanumeric
1 position
- Enter the action code ([Appendix F](#)) that identifies amounts that are added to or deducted from the sub-total in Block 25. (For examples, see [Entering Action Codes In Block 13](#) under **Additional Information For Type 40 Orders.**)
- Description**
(14) Required, alphanumeric
- Enter a complete description of articles including stock or catalog number or description of services, and, if required, special information to the vendor.
- If **M** was included in the 5th position of the Receiving Office No., Block 2, enter the multiple consignee names, addresses, and telephone numbers as illustrated on [Figure 1](#).
- 
Reminder
- Budget Object**
(15) Required, numeric
4 positions
- Enter the object classification code that define items related to Block 14. (See Title V, Chapter 3, Budget Object Classification Codes, for a reference list of these codes.)
- Acc Line**
(16) Required, alphanumeric
2 positions
- Enter the accounting line number (Block 28) that the line item (Block 12) will be charged or enter **X** when the accounting will be distributed. Be sure to enter accounting data in Blocks 28 and 29. If you entered **X**, include distribution in Block 30.
- 
Caution
- Quantity**
(17) Required, numeric
8 positions max.
- Enter the whole number (*5 positions max.*), a decimal, and then the decimal part (*3 positions max.*). (For example, a quantity of 50 1/4 dozens = **50.25**.)
- Unit Issue**
(18) Required, alphanumeric
3 positions max.
- Enter the unit of measurement (e.g., **DZ, EA, JOB, PK, LOT, YR**, etc.).
- Unit Price**
(19) Required, numeric
10 positions max.
- After ensuring that the unit price is current, enter the dollar portion of the unit price (*6 positions max.*), a decimal, and the cents portion (*4 positions max.*).
- Amount**
(20) Required, numeric
8 positions max.
- Enter the amount of the extended value of the line item (quantity \times the unit price). Round off to 2 decimal places.
- This Purchase Order Negotiated Pursuant to Authority of 41 USC 252(c).**
(20a) No entry
- Skip this block.
- 
Note
- Blocks 21 through 31e.** If the order contains more than one page, cut off these blocks on all pages except the last page. The data for these blocks should be indicated only on the last page of the order.
- F.O.B. Point**
(21) Required, alphanumeric
11 positions max.
- Enter the shipping terms in accordance with the terms of the contract or purchase action. Enter **destination** when the vendor agrees to pay the transportation cost. Enter **origin** when the agency agrees to pay the transportation cost.

(22) Discount And/Or Net Payment Terms
Required, alphanumeric



Enter the exact terms of the time discount using decimals instead of fractions and net payment terms (for example, **2% 10 days net 30**, or **1.5% 12 days net 20**) or if no time discount is offered, enter the payment terms (e.g., **net 20, 30, 45**, etc.).

When applicable, be sure the Type Commodity/Payment Code, Block 22a, agrees with the net payment terms in this block. Enter 7 for Code M, 10 for Codes D or P, 14 for Code C, or 30 and over for Code O.

(22a) Type Commodity/Payment Code
*Required, alphanumeric
1 position*



Enter **M, D, P, C, O**, or **X**. (See [Appendix G](#) for a description and the proper use of these codes.)

A separate order must be issued for each different code. Also, when applicable, be sure the net payment terms in Block 22 indicate 7 for Code M, 10 for Codes D or P, 14 for Code C, or 30 and over for Code O.

(23) Deliver to F.O.B. Point On Or Before (Date)
*Required, numeric
8 positions*

Enter the date (*mm/dd/yyyy*) that the delivery is expected or the date of completion of services.

(24) Ship Via
*Conditional, alphanumeric
22 positions max.*

When Block 21 shows *origin*, enter method of shipment (e.g., **parcel post**, **air mail**, **motor freight**, **railway express**, **handling charges**, or **postage**). If Block 21 shows *destination*, skip this block.

(25) Sub-Total
*Required, numeric
9 positions max.*

Enter the cumulative total of all line items for the entire order.



This is the total that appears on the Seller's Original.

(26) Estimated Freight
*Conditional, numeric
7 positions max.*



Enter the estimated freight charge when the agency agrees to pay the transportation charge. If no charge is payable, enter **0** or **none**.

(1) Do not charge freight to a line item through the use of Action Code F (freight) in Block 13 and show an amount in estimated freight (Block 26) on the same order (see [Figure 7](#)).

(2) In accordance with FAR, if the transportation charge will be in excess of \$100, the vendor should be advised that a receipted freight or waybill is required prior to payment. Also, in accordance with a comptroller general decision, a \$15 freight tolerance in addition to any freight amount indicated on the order can be paid. NFC will prorate the estimated freight amount over the accounting classification and will include this in the obligation data that is reported back to the agency accounting stations. Postage and handling charges should be considered freight.

(27) Total
*Required, numeric
9 positions max.*

Enter the total for all items (sub-total plus estimated freight) on the last page of the order.

Tolerance Criteria. To avoid payment delays to vendors and costly and time-consuming telephone calls made by NFC to agencies, the following tolerance criteria was developed to pay Type 40 purchase order invoices that exceed the total value of the order:

- Orders that indicate a total value of \$165 are paid up to an additional amount of \$25 (excluding freight) more than its total value.
- Orders greater than \$165 are paid up to an additional 15 percent, not to exceed \$50 (excluding freight), more than its total value. Another \$15 is allowed when the accumulated freight charges invoiced for the order were not obligated (i.e., no estimated freight is indicated in Block 13 or Block 26 of the AD-838). Another \$50 will be allowed when the accumulated freight charges invoiced for the order were obligated (i.e., freight as shown in Block 13 or Block 26 of the AD-838).
- As previously explained under [Special Sub Codes That Can Be Used in Type 40 Orders for \\$1,000 or Less](#), if procurement officials do not want these tolerance limits applied to an order, the AD-838 should be coded **TT** in Block 9, Sub. When **TT** is indicated in Block 9, payment will be made in the tolerance amount of \$15 more than the total value of the order (excluding freight). An additional \$15 will be allowed when the accumulated freight charges invoiced for the order exceed the obligated estimated freight. Code **TT** in Block 9 can only be used on the initial order. Once the code is used, it cannot be changed. To remove Code **TT**, the order must be canceled and if otherwise valid, reissued under a new order number.
- As previously explained under [Special Sub Codes That Can Be Used in Type 40 Orders for \\$1,000 or Less](#), an order of \$1,000 or less marked **RT** in Block 9, Sub, directs NFC to require a receiving report prior to payment and apply to the order value the lower tolerance amount.

Acc Line
(28) *Required, numeric
2 positions*

Enter the accounting line number (Block 16) that corresponds to the accounting line (Block 28). If **X** is indicated in Block 16, at least 2 lines of accounting data must be entered. Each accounting line number is consecutively numbered and unique ranging from **01** through **99**.

Accounting Classification
(29) *Required, alphanumeric
27 positions max.*


Enter the agency assigned management or accounting classification code. Each accounting line recorded in Block 16 must be supported by an accounting classification code in this block.

Distribution
(30) *Conditional, numeric
2 positions*

Enter the percentage (whole numbers) of distribution for each line of accounting. The percentages must total 100 percent. (This block is also used to identify multi-agency procurement (See [Figure 30](#)).

Amount
(31) *Conditional, numeric
9 positions max.*

Enter amount applicable to each accounting line. The data shown in this block is for agency or NFC convenience in checking accounting line charges.

- 31a Issuing Office Name and Address**
Required, alphanumeric
- On the **first** line enter the issuing office name (*34 positions max.*). On the **second** line enter the street address or post office box number (*31 positions max.*). On the **third** line enter any additional address data needed (*32 positions max.*). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*).
- 31b Ordered By (Name and Title)**
Required, alphanumeric
- 
Caution
- Enter the name (*25 positions max.*) and title (*25 positions max.*) of the procurement official authorized to sign the order.
- Only individuals with properly delegated procurement authority should sign the order. If required, NFC will contact this person about the order.
- 31c Commercial Phone (Area Code and Number)**
*Required, numeric
10 positions*
- Enter the telephone number of the official named in Block 31b. This information may be used by the vendor and NFC.
- 31d FTS Phone No.**
No entry
- Skip this block.
- 31e Authorized Signature**
Required
- Signature of the official named in Block 31b.
-

Mailing Instructions. Forward the Seller's Original part of the order to the seller. If you are not a user of PC-PRCH, PRCHENT, or an agency-certified purchase order electronic system, forward the NFC original part of the AD-838 to:

National Finance Center, USDA
P.O. Box 60000
New Orleans, LA 70160-0001

Documents that need to be processed immediately for agencies that do not have access to PRCHENT, PC-PRCH, or an agency-certified electronic purchase order system should fax the appropriately signed AD-838 and/or receiving report (AD-838-7P, Receipt Copy) for immediate processing to the Purchase Order Section at NFC. The fax number is **504-255-6136**.

Additional Information For Type 40 Orders

This section provides instructions and examples of additional action codes for Block 13; orders marked to require a receiving report; multi-agency procurement; foreign vendor procurement; IRS notice of levy on wages, salary, and other income; and assignment of claims.

Entering Action Codes In Block 13

Following are examples of the Type 40 AD-838 using the action codes listed in [Appendix F](#).

Action Code C, Credit Associated With A Line Item (Figure 2). In this example, Action Code C is associated with line item 03 and is identified by that same line item number in Block 12. It carries the same budget object and account line as the associated line item. In this case, it is not necessary to reenter the budget object in Block 15 and accounting line in Block 16.

Action Code C, Credit Not Associated With A Line Item And Having Unique Accounting (Figure 3). In this example, Action Code C is not associated with a line item. In this case, do not enter a line item in Block 12. Enter a budget object in Block 15 and accounting line in Block 16.

Action Code C, Credit Not Associated With A Line Item And Prorated (Figure 4). In this example, Action Code C is independent of line items. In this case, do not enter a line item in Block 12, a budget object in Block 15, or an accounting line in Block 16. This credit will be prorated over the accounting classification and budget object codes.

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT
01		Forma-Sol Detergent (75 lb. drum)	2629	01	1	EA	35.00	35 00
02		Spindle Rack Headers	3110	01	1	EA	245.00	245 00
03		Glassware Basket – multi-purpose	2629	01	3	EA	35.00	105 00
03	C	Credit for 1 previously shipped defective basket						-35 00
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().								
21 F.O.B. POINT Origin		22 DISCOUNT AND/OR NET PAYMENT TERMS Net 30		22a TYPE COMMODITY/ PAYMENT CODE 0		Sub-Total	25	350 00
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/26/1997		24 SHIP VIA Railway Express		26 ESTIMATED FREIGHT 18.00		TOTAL	27	368 00

Figure 2. Action Code C, Credit Associated With A Line Item (sample)

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01	C	357535, Micro Tissue Grinder	2629	01	1	CS	375.00	375	00
		Credit due for 1 defective PX 570, Potassium Phosphate Reagent	2626	02				-35	00
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT Destination		22 DISCOUNT AND/OR NET PAYMENT TERMS 2% 10 Days Net 20			22a TYPE COMMODITY/ PAYMENT CODE ▶ 0		25 Sub-Total ▶	340	00
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/26/1997		24 SHIP VIA			26 ESTIMATED FREIGHT 0		27 TOTAL ▶	340	00

Figure 3. Action Code C, Credit Not Associated With A Line Item And Having Unique Accounting (sample)

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01	C	117-655, Contrad Detergent	2629	01	1	EA	35.00	35	00
02		CMS#389-981, Refrigerator	3122	02	1	EA	1200.00	1200	00
		Credit due for 1 defective Glassware Basket previously shipped.						-15	00
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT Destination		22 DISCOUNT AND/OR NET PAYMENT TERMS 2% 10 Days Net 20		22a TYPE COMMODITY/ PAYMENT CODE ▶ 0			Sub-Total ▶	25	1220 00
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/26/1997		24 SHIP VIA		26 ESTIMATED FREIGHT 0			TOTAL ▶	27	1220 00

Figure 4. Action Code C, Credit Not Associated With A Line Item And Prorated (sample)

Action Code N, Nonmerchandise Cost, Action Code D, Line Item Discount, And Estimated Freight (Figure 5). In this example, Action Code N is associated with line item 01 and Action Code D is associated with line item 02. These codes are identified by that same line item number in Block 12. In this case, they must carry the same budget object in Block 15 and the same accounting line in Block 16. It is not necessary to duplicate this information.

Enter estimated freight charges in Block 26 but do not include in the subtotal. These charges are added to the total and automatically prorated over the accounting classification and budget object codes. The distribution in Block 30 must total 100 percent.

Action Code E, Federal Excise Tax (Figure 6). In this example, Action Code E is associated with the line item 01 and is identified by that same line item number in Block 12. In this case, it must carry the same budget object in Block 15 and same accounting line in Block 16. It is not necessary to reenter this information.

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01	N	117-655, Contrad Detergent	2629	X	1	EA	35.00	35	00
01		Handling Inside Delivery						20	00
02	D	CMS#389-918, Refrigerator	3122	X	1	EA	1200.00	1200	00
02		Less 10% Discount						-120	00
03		Multi - purpose Glassware Basket	2629	03	3	EA	35.00	105	00
04		Glassware Basket-Open	3122	03	1	EA	50.00	50	00
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT Origin		22 DISCOUNT AND/OR NET PAYMENT TERMS 2% 10 Days Net 20		22a TYPE COMMODITY/ PAYMENT CODE ▶ 0		Sub-Total ▶	25	1290	00
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/26/1997		24 SHIP VIA Railway Express		26 ESTIMATED FREIGHT 150.00		TOTAL ▶	27	1440	00

Figure 5. Action Code N, Nonmerchandise Cost, Action Code D, Line Item Discount, And Estimated Freight (sample)

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION		15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT		
01	E	Tires, size 7.00–16, 6 ply			2531	01	2	EA	44.17	88	34
01		Federal Excise Tax								6	14
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().											
21 F.O.B. POINT Destination		22 DISCOUNT AND/OR NET PAYMENT TERMS 2% 10 Days Net 20			22a TYPE COMMODITY/ PAYMENT CODE ▶ 0			25	Sub-Total ▶	94	48
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/26/1997		24 SHIP VIA			26 ESTIMATED FREIGHT 0			27	TOTAL ▶	94	48

Figure 6. Action Code E, Federal Excise Tax (sample)

Action Code F, Freight Associated With A Line Item (Figure 7). In this example, Action Code F is associated with line item 01 and is identified by the same line item number in Block 12. In this case, this action code must carry the same budget object in Block 15 and same account line in Block 16. It is not necessary to reenter this information.

Action Code N, Supplies With Nonmerchandise Charge (Figure 8). In this example, Action Code N is not associated with a line item. Do not enter a line item in Block 12. In this case, the action code is without assignment of a budget object and/or accounting line. The charge is automatically prorated over the budget object and accounting classification codes.

Action Code T, Trade-In Allowance, And Action Code N, Nonmerchandise Cost (Figure 9). In this example, Action Code T is associated with line item 01 and is identified by the same line item number in Block 12. This line item must be the result of a trade-in of capitalized equipment. Use the same budget object in Block 15 and same accounting line in Block 16. It is not necessary to reenter this information.

Also in this example, Action Code T is associated with line item 02 and is identified by that same line item number in Block 12. In this case, the trade-in carries its own budget object in Block 15 and accounting line in Block 16 (different from the associated capitalized equipment). Completion of Blocks 18 and 19 are optional.

In this example, Action Code N is not associated with a line item. In this case, do not enter a line item in Block 12, a budget object in Block 15, or an accounting line in Block 16. Charges will be automatically prorated between line items.

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01		Model 110A Solvent Delivery Pump	3122	01	1	EA	2730.00	2730	00
01	F	Freight						100	00
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT Destination		22 DISCOUNT AND/OR NET PAYMENT TERMS 2% 10 Days Net 20		22a TYPE COMMODITY/ PAYMENT CODE ▶ 0		Sub-Total ▶	25	2830	00
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/26/1997		24 SHIP VIA		26 ESTIMATED FREIGHT 0		TOTAL ▶	27	2830	00

Figure 7. Action Code F, Freight Associated With A Line Item (sample)

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01		Envelopes, Style 49, Printed (Sample attached)	2400	01	5	M	9.20	46	00
02		Envelopes, Style 49, Printed (Sample attached)	2400	02	25	M	12.63	315	75
	N	Plate Charge						40	00
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT Destination		22 DISCOUNT AND/OR NET PAYMENT TERMS Net 30		22a TYPE COMMODITY/ PAYMENT CODE ▶ 0			Sub-Total ▶ 25	401	75
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/26/1997		24 SHIP VIA		26 ESTIMATED FREIGHT 0			TOTAL ▶ 27	401	75

Figure 8. Action Code N, Supplies With Nonmerchandise Charge (sample)

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01		Model 301–530 Horizontal Laminar Airflow Console	3122	01	3	EA	2680.00	8040	00
01	T	Less Trade-in of 2 Consoles			2	EA	100.00	–200	00
02		Model 301–538 Horizontal Laminar Airflow Console	3122	01	1	EA	2200.00	2200	00
02	T	Less Trade-in of 1 Console	3122	02				–100	00
	N	Set-Up Charge						200	00
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT Destination		22 DISCOUNT AND/OR NET PAYMENT TERMS 2% 10 days Net 20		22a TYPE COMMODITY/ PAYMENT CODE ▶ 0			Sub-Total ▶ 25	10,140	00
02/26/1997		24 SHIP VIA		26 ESTIMATED FREIGHT 0			TOTAL ▶ 27	10,140	00

Figure 9. Action Code T, Trade-In Allowance, And Action Code N, Nonmerchandise Cost (sample)

Action Code T, Trade-In Allowance And Action Code V, Volume Discount (Figure 10). In this example, Action Code T is associated with line item 01 and is identified by that same line item in Block 12. In this case, it is not necessary to duplicate information in Blocks 15 and 16.

Also in this example, Action Code V is independent of line items. In this case, do not enter a line item in Block 12, a budget object in Block 15, or an accounting line in Block 16. The discount is prorated over the budget object and accounting classification codes.

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01	T	Typewriter, IBM Selectric Typewriter	3125	01	01	EA	670.00	670	00
01		Less Trade-in of 3 IBM Model 32						-150	00
02		Calculator, TI 2500	3125	01	20	EA	50.00	1000	00
	V	Less 5% Discount						-76	00
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT Destination			22 DISCOUNT AND/OR NET PAYMENT TERMS			22a TYPE COMMODITY/ PAYMENT CODE ▶ 0		Sub-Total ▶ 25	1444 00
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/26/1997			24 SHIP VIA			26 ESTIMATED FREIGHT 0		TOTAL ▶ 27	1444 00

Figure 10. Action Code T, Trade-In Allowance, And Action Code V, Volume Discount (sample)

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01	V	Model No. 910-V, Fume-Gard	3122	01	1	EA	600.00	600	00
02		Model No. 906, Filter	2629	01	5	EA	25.00	125	00
03		Model No. 977, Filter	2629	01	1	EA	20.00	20	00
		Less 5% Discount						-37	25
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT Destination		22 DISCOUNT AND/OR NET PAYMENT TERMS Net 30			22a TYPE COMMODITY/ PAYMENT CODE ▶ 0		Sub-Total ▶ 25	707	75
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/26/1997		24 SHIP VIA			26 ESTIMATED FREIGHT 0		TOTAL ▶ 27	707	75

Figure 11. Action Code V, Volume Discount, For The Purchase Of Goods (sample)

Action Code V, Volume Discount, For The Purchase Of Goods (Figure 11). In this example, Action Code V is independent of line items. In this case, do not enter a line item in Block 12, a budget object in Block 15, or an accounting line in Block 16. The discount is automatically prorated over the budget objects and accounting classification codes.

Type 40 Orders Over \$1,000 And Orders For \$1,000 Or Less Marked To Require A Receiving Report

Type 40 orders over \$1,000 and those orders for \$1,000 or less marked to require a receiving report will be processed for payment as soon as the vendor's invoice and agency's receiving report are received at NFC (Figure 12, 13, or 14). As soon as the goods or services for a Type 40 order are delivered to an agency shipping point, the receiving official should immediately certify that the items were received, inspected, and accepted. The receiving report should immediately be mailed or transmitted

electronically to NFC for payment processing. Late payment interest penalties, in accordance with the terms of the Prompt Payment Act, may apply when payments of vendor invoices are delayed pending NFC's receipt of purchase order receiving reports.

Agencies are requested to use online inquiry and reports generated by PRCH to monitor purchase order receiving report activity. PRCH provides agencies with the capability to monitor purchase order records using PRCHINQ, Option 22, Critical Invoice Suspense Inquiry. This option allows agencies to review a list of Type 40 purchase invoice orders that are held in suspense for at least 20 days awaiting a receiving report and are at risk for payment of interest penalties. For more information on PRCHINQ see [Online Inquiry](#) under [About This Procedure](#).

Type 40 Orders For \$1,000 Or Less Not Requiring Advance Receiving Reports

Type 40 orders for \$1,000 or less do not require a receiving report prior to payment unless specified by the agency or the order is selected for statistical sample to require a receipt.



To realize savings resulting from (1) reduction of interest penalties, (2) capturing prompt payment discounts, (3) reduction of costs associated with reduced paper flow, and (4) handling a reduced number of vendor inquiries, agencies are not required to submit receiving reports to NFC prior to payment for Type 40 orders having a fixed cost, fixed quantity, anticipated one-time payment, and a dollar value of not more than \$1,000.

Agency procurement or receiving locations will ensure that goods or services are received as ordered. NFC will perform extensive computer edits and audits on both the obligating order and the vendor's invoice. NFC will provide payment reports to assist agencies in monitoring Type 40 orders that do not require submission of a receiving report to NFC.

Additional controls used by NFC include the use of statistical sampling techniques to identify specific Type 40 orders of \$1,000 or less that will require a receipt prior to payment. These selected orders are identified when the obligation is processed. The affected orders are reported on PRCH92-01 ([Exhibit 23](#)). Other controls are a postpayment verification on the status of certain orders selected by statistical sampling ([Exhibit 22](#)) and a prepayment verification of procurement authorization on orders selected by random sampling applicable to all purchase orders regardless of the dollar value of the order ([Exhibit 16](#)).

Agencies have full control to exclude any vendor from payment under this procedure by using special sub codes **R**, **R1**, or **RT**. (These codes are discussed under Block 9, Sub.) They can be used when dealing with an unknown vendor or when procuring items that require visual inspection prior to acceptance of delivery. Orders that are coded in this manner will require a perfect match of line item numbers from vendor's invoice, obligation document, and receiving report prior to payment.

Multi-Agency Procurement (Type 40)

To prorate the cost of an item to one or more agencies ([Figure 12](#)), the procuring agency will:

- Enter the assigned fund code of the office preparing the form in Block 7, Fund Code.
- Records the item as a separate entry for each agency sharing the cost of the order and enters the exact amount assessed to each agency in Block 20, Amount.
- Identifies each agency sharing the cost by entering the applicable accounting line in Block 28, accounting classification in Block 29, and agency code enclosed by parenthesis in Block 30, Distribution.



Note

Do not enter the agency code of the procuring agency or the accounting distribution percentage in Block 30.

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01		Envelopes, sulphate, printed, style 49, #81	2400	01	10	M	7.52	75	20
02		Envelopes, sulphate, printed, style 84, #129	2400	01	25	M	12.63	315	75
03		Envelopes, sulphate, printed, style 84, #177	2400	02	25	M	19.23	480	75
04		Envelopes, sulphate, printed, style 95, #189	2400	02	2	M	19.57	39	14
05		Envelopes, sulphate, printed, style 95, #189	2400	03	2	M	19.57	39	14
06		Envelopes, sulphate, printed, style 95, #189	2400	01	1	M	19.57	19	57
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT		22 DISCOUNT AND/OR NET PAYMENT TERMS		22a TYPE COMMODITY/ PAYMENT CODE		Sub-Total ▶		25	
Destination		2% 10 days net 30		0				969	55
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)		24 SHIP VIA		26 ESTIMATED FREIGHT		TOTAL ▶		27	
04/23/1997				0				969	55
28 ACC LINE	29 ACCOUNTING CLASSIFICATION					30 DISTRIBUTION		31 AMOUNT	
- 2	A 5	B 10	C 5 3	D 4	E 1 4	1 2			
01	XXXXX	XXXXX					(30)		
02	XXXXX	XXXXX							
03					X XXXX	X	(36)		

Figure 12. Form AD-838 (Multi-Agency Procurement) (sample)

Foreign Vendor Procurements To Be Paid In Foreign Currency (Type 40)

Foreign currency payments can only be processed through use of Types 40 and 41 purchase orders. Type 40 orders issued to foreign vendors must be in U.S. dollars for obligation purposes even if the U.S. dollar amount must be estimated. PRCH obligates and records U.S. dollars only.

Enter **U** in Block 5, SF-281, on the AD-838 to indicate the procurement source is from a foreign vendor. This code flags the order and alerts NFC to expect a foreign remittance address on the applicable order.

When agencies purchase from a foreign vendor, the agency should:

- Ensure that the invoice will be submitted to NFC when foreign currency payments are required. Inform the vendor that the invoice should specify the currency that the vendor will accept in payment of the invoice.
- Advise the vendor to verify that the country is part of the remittance address on the invoice. If a foreign vendor requests payment be made to a bank in a country other than their own, the specific country in which the bank is located should be shown as the remittance address on the invoice.
- Negotiate with the vendor to add 20 days to the payment period for foreign currency payment to vendors abroad. This additional time will enable NFC to use foreign disbursing facilities provided by U.S. Disbursing Officers, and permit NFC to target payment within the timeframes established by the Prompt Payment Act. (Ref: Treasury Fiscal Requirements Manual, Volume 1, Paragraph 2075.40.)

IRS Notice Of Levy On Wages, Salary, And Other Income (Forms 668–W(c), 668–A, et al.) (Type 40)

Upon receipt of the notice of levy from IRS, the agency should immediately telephone NFC at **504–255–5464** to notify NFC’s certifying officer of the pending notice of levy.



If the notice of levy is sent directly to NFC by IRS, NFC will return it to IRS for submission to the applicable agency.

Agencies should process the notice of levy as follows:

- Record the purchase order number(s) on the notice of levy.
- Forward the notice of levy to NFC by memorandum for processing. The memorandum should include the name and address of the contractor/vendor and the purchase order number(s). Address the memorandum to:

National Finance Center, USDA
Certification and Disbursement Section
P.O. Box 60963
New Orleans, LA 70160–0963

- Retain a copy of the notice of levy in a pending file as a reminder to notify NFC of the purchase order number if additional procurements are made from that contractor/vendor.

Assignment Of Claims (Type 40)

An assignment of claims for money due or to become due under a purchase order can only be received from a bank, trust company, or other financing institution, including any Federal lending agency.

The assignment of claims documentation should consist of four original signed copies of the notice, together with one true copy of the instrument of assignment.

Upon receipt of a notice of assignment, the agency will immediately telephone NFC at **504–255–5464** to notify the certifying officer of the pending assignment.

When the assignment obligation is satisfied, the release of assignment must be received by NFC from the financing institution so that the notice of assignment record can be removed from the assigned purchase order(s). Further payments will then be sent to the payee that was initially shown on the order.



Caution

(1) The Certification and Disbursement Section (C&DS) will not accept photostatic (including faxed) copies of this documentation. Only originals or photostatic copies that have the original stamp of a certified true duplicate will be processed.

(2) If a change of assignment to another financial institution is necessary, a release of assignment from the previous financial institution must be processed by C&DS before the re-assignment can be processed.

(3) Since liability for payments begins with receipt of acknowledgement, agency procurement officials should not sign or acknowledge the assignment documentation that pertains to Type 40, 41, 43, 45, and 60 orders. The assigned documentation for these orders will be examined and acknowledged by NFC.

Agencies are to process the notice of assignment as follows:

- Record the purchase order number(s) on the assignment.
- Retain one copy of the assignment and forward the other three copies and the notarized copy to the address below for review and acknowledgement by NFC's certifying officer:

National Finance Center, USDA
Certification and Disbursement Section
P.O. Box 61700
New Orleans, LA 70160-0963

Type 40 Completion Instructions For An AD-838, Receipt Copy

To notify NFC that delivery was received and accepted on a Type 40 order, use the green Receipt Copy 1 and Receipt Copy 2 (third and fourth part of the AD-838). ([Figure 13](#) is an example of a partial type shipment and [Figure 14](#) is an example of a complete type shipment.) Use Form AD-838A ([Figure 15](#)) if more than two receiving reports are needed. (See [Type 40 Completion Instructions For An AD-838A, Partial Receipt Notification](#) for more information.)



Caution

Payment of vendor invoices are delayed and late payment interest penalties may apply when receiving reports are not sent to NFC immediately upon receipt of delivery (including inspection and acceptance) to the agency's shipping point. (See [Online Inquiry](#) under **About This Procedure**, and [Reports](#) under **Introduction** for more information.)

The following instructions correspond to the block numbers indicated on Receipt Copy, AD-838.



Note

Blocks 1 through 12 and 14 through 31e shown on the Receipt Copy are completed when the AD-838 is initiated. (See [Type 40 Completion Instructions For An AD-838](#) for information on these blocks.)

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER											
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO. XXXX		3 CONTRACT NUMBER OM		4 ORDER DATE 02/01/1997		5 SF-281 EP		6 UNIT CODE NC		7 FUND CODE 40-XXXX-7-2		8 SUB.	
9 TYPE PURCHASE (Check one) <input checked="" type="checkbox"/> PURCHASE ORDER				<input type="checkbox"/> DELIVERY ORDER											
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) Sample, Inc. 25 West Ave. VXP123456789 Anywhere, IL 60647-0123						SHIP TO ▶		11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance USDA, National Finance Center 13800 Old Gentilly Rd New Orleans, La. 70129-2238. PHONE (A/C & No.) 504-255-XXXX							
												Check Out ▶ FTS ▶		COMM ▶	
12 LINE ITEM	13 QUANT REC'D	14 DESCRIPTION				15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE		20 AMOUNT			
01	5	Envelopes, Style 49, Printed (Sample attached)				2400	01	5	M	9.20		46 00			
02		Envelopes, Style 49, Printed (Sample attached)				2400	02	25	M	12.63		315 75			
		Plate Charge										40 00			
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)(1)															
21 F.O.B. POINT Destination				22 DISCOUNT AND/OR NET PAYMENT TERMS 2% 10 days Net 30				23a TYPE COMMODITY/ PAYMENT CODE ▶ 0				25 Sub-Total ▶ 401 75			
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/28/1997				24 SHIP VIA				26 ESTIMATED FREIGHT 0				27 TOTAL ▶ 401 75			
FORWARD TO: U.S. DEPARTMENT OF AGRICULTURE, National Finance Center, P.O. Box 60,000, New Orleans, LA 70160															
ACC LINE - 2	A 5	B 10	C 5	3	D 4	E 1	4	1	2	DISTRIBUTION		AMOUNT			
01	XXXXX	XXXXX													
02	XXXXX	XXXXX													
I certify that articles and/or services annotated above have been received, inspected and accepted as complying with this order.						31b ORDERED BY (Name and Title) Mary Smith, Purchasing Agent									
32 SIGNATURE AND TITLE						31c COMMERCIAL PHONE (Area Code and Number) 415-486-1222						31d FTS PHONE NO			
33 RECEIPT DATE 02/27/1997		34 TYPE SHIPMT P		35 RECEIVING OFFICE PHONE (A/C & No.) 202-449-2121		FTS		COMM		31e AUTHORIZED SIGNATURE					
(SEE COMPLETION INSTRUCTIONS ON REVERSE)															

RECEIPT COPY 1

FORM AD - 838 (REV. 3/84)

Figure 13. Form AD-838, Receipt Copy 1 (Partial Shipment Received) (sample)

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER															
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO. XXXX		3 CONTRACT NUMBER OM		4 ORDER DATE 02/01/1997		5 SF-281 EP		6 UNIT CODE NC		7 FUND CODE 40-XXXX-7-2		8 ORDER NUMBER		9 SUB.			
<input checked="" type="checkbox"/> TYPE PURCHASE (Check one) <input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER																			
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) Sample, Inc. 25 West Ave. VXP123456789 Anywhere, IL 60647-0123										SHIP TO ▶		11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance USDA, National Finance Center 13800 Old Gentilly Rd New Orleans, La. 70129-2238.							
										PHONE (A/C & No.) 504-255-XXXX		Check One ▶ FTS ▶		COMM ▶					
12 LINE ITEM		13 QUANT. REC'D.		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC. LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
01				Envelopes, Style 49, Printed (Sample attached)				2400		01		5		M		9.20		46.00	
02				Envelopes, Style 49, Printed (Sample attached)				2400		02		25		M		12.63		315.75	
				Plate Charge														40.00	
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)(1).																			
21 F.O.B. POINT Destination				22 DISCOUNT AND/OR NET PAYMENT TERMS 2% 10 days Net 30				22a TYPE COMMODITY/ PAYMENT CODE ▶ 0				25 Sub-Total ▶				401.75			
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 02/28/1997				24 SHIP VIA				26 ESTIMATED FREIGHT 0				27 TOTAL ▶				410.75			
FORWARD TO: U.S. DEPARTMENT OF AGRICULTURE, National Finance Center, P.O. Box 60,000, New Orleans, LA 70160																			
ACC. LINE -2		A 5		B 10		C 5 3		D 4		E 1 4 1 2		DISTRIBUTION 2		AMOUNT					
01		XXXXX		XXXXX															
02		XXXXX		XXXXX															
I certify that articles and/or services annotated above have been received, inspected and accepted as complying with this order.										31b ORDERED BY (Name and Title) Mary Smith, Purchasing Agent									
32 SIGNATURE AND TITLE										31c COMMERCIAL PHONE (Area Code and Number) 415-486-1222						31d FTS PHONE NO.			
33 RECEIPT DATE 03/10/1997		34 TYPE SHIPMT C		35 RECEIVING OFFICE PHONE (A/C & No.) 202-449-2121		FTS		COMM		31e AUTHORIZED SIGNATURE									
(SEE COMPLETION INSTRUCTIONS ON REVERSE)																			
RECEIPT COPY 1																			
FORM AD - 838 (REV. 3/84)																			

Figure 14. Form AD-838, Receipt Copy 1 (Complete Shipment Received (sample))

Complete the blocks as follows:

- ⑬ **Quant. Rec'd.**
*Conditional, numeric
8 positions max.*



Note

When a **C** (complete shipment) will be entered in Block 34, Type Shipmt, you may skip this block. When a **P** (partial shipment) will be entered in Block 34, enter the quantity (*3 decimal places max.*) received next to the related line item in Block 13.

Always count the items received in the same unit of issue ordered (e.g., 3 dozen plants ordered but only 6 plants were received, enter quantity received as **.5**).

- ⑭ **Signature and Title**
Required, alphanumeric

The signature and the title of the official certifying the receipt of items.

- ⑮ **Receipt Date**
*Required, numeric
8 positions*

Enter date (mm/dd/yyyy) goods or services were received, inspected, and accepted using the later date. If services are received and accepted for a specified time, enter the ending day of the covered period and not the beginning day of the service. The receipt date must not be prior to the order date shown in Block 4 on the AD-838.

- ⑯ **Type Shipmt**
*Required, alphanumeric
1 position*

Enter **P** to report a partial shipment or enter **C** to report a complete shipment.

- The **P** (partial) is used by a single receiving office to record receipt of less than the entire order (including amendments). A multiple receiving office must always record receipt of goods or services by following the partial shipment instructions using **P** in this block.
- The **C** (complete) is used by a single receiving office to record receipt of the total order or the last or remainder of the order when partials were previously reported. The **C** is not used to record receipt of a shipment considered complete and received by multiple receiving offices.

- ⑰ **Receiving Office Phone (A/C & No.)**
*Required, numeric
10 positions*



Note

Enter the telephone number of the person to be contacted for receiving report information.

When receipting for an amended order that is complete, forward to NFC only one receipt (from either the original or amended purchase order set) marked **C**. Partial receipts require annotation of quantity next to the line item; therefore, select the appropriate receipt copy.

Mailing Instructions. If you are not a user of PC-PRCH, PRCHENT, or an agency-certified purchase order electronic system, forward the Receipt Copy to:

National Finance Center, USDA
P.O. Box 60000
New Orleans, LA 70160-0001

Type 40 Completion Instructions For An AD-838A, Partial Receipt Notification

Use this form to receipt for goods and services when the number of receipt copies of the AD-838 are not sufficient.

The following instructions correspond to the data blocks on the AD-838A ([Figure 15](#)). Complete the blocks as follows:

Purchase Order Number
*Required, alphanumeric
12 positions max.*

Enter the purchase order number indicated in Block 8 on the AD-838.

Date of Receipt
*Required, numeric
8 positions.*

Enter the date (mm/dd/yyyy) goods or services were received, inspected, and accepted using the later date. If services are received and accepted for a specified time, enter the ending day of the covered period and not the beginning day of the service.

Receiving Office Number
*Required, alphanumeric
7 positions max.*

Enter the receiving office number indicated in Block 2 on the AD-838.

Line Item No.
*Required, numeric
2 positions*

Enter the line item number that corresponds to the line item number in Block 12 on the AD-838 for the goods or services received. Ensure that the line item number on the AD-838 and the line item number on the AD-838A match for the items received.



Caution

A perfect match of line item numbers from both documents is required to avoid an edit reject.

Quantity Received
*Required, numeric
8 positions max.*

Count the items received in the same unit of issue as ordered (*3 decimal places max.*).



Note

If unit of issue received is different from that shown on the order, convert quantity received to unit of issue as shown on the purchase order (e.g., 3 dozen plants ordered but only 6 plants received, enter .5 in the Quantity Received block and DZ (dozen) in Unit of Issue block).

Unit of Issue
*Required, alphanumeric
3 positions max.*

Enter the same unit of issue as indicated in Block 18 on the AD-838.

Description
Required, alphanumeric

Enter a brief description of the item received.

Remarks
Conditional, alphanumeric.

Enter comments regarding the shipment (e.g., returns for damages in shipment, variances in unit of issue, etc.).

Signature and Date
Required, alphanumeric

The signature of the official certifying receipt of the items recorded on the form and the date.

Phone (Area Code and Number)
*Required, numeric
10 positions*

Enter the telephone number of the official certifying receipt of the items.

PURCHASE ORDER NUMBER 40-xxxx-7-598			DATE OF RECEIPT 02/28/1997	RECEIVING OFFICE NUMBER XXXX		U.S. DEPARTMENT OF AGRICULTURE PARTIAL RECEIPT NOTIFICATION	
LINE ITEM NO.	QUANTITY RECEIVED	UNIT OF ISSUE	DESCRIPTION	LINE ITEM NO.	QUANTITY RECEIVED	UNIT OF ISSUE	DESCRIPTION
01	5	EA	Flexiglass				
02	5	EA	Flexiglass				
03	5	EA	Flexiglass				

REMARKS			
I certify that the articles and/or services annotated above have been received, inspected and accepted as complying with the purchase order number above.	SIGNATURE AND DATE	PHONE (Area Code and Number)	<input checked="" type="checkbox"/> PARTIAL RECEIPT <input type="checkbox"/> COMPLETE RECEIPT
	ADDRESS USDA—ARS 1700 SW 23rd Dr, Gainesville, FL 32604	904—373—1234	

FORM AD—838A (11—75)

Mail to: National Finance Center, USDA
P.O. Box 60000
New Orleans, Louisiana 70160

Figure 15. Form AD-838A (Partial Shipment Received) (sample)

Address

Required, alphanumeric

Enter the complete address of the official certifying receipt of the items.

Partial Receipt

Conditional, alphanumeric
1 position

Place an **X** in this box when a single receiving office is certifying receipt of less than the entire order (including amendments). A multiple receiving office must always mark this block to record receipt of goods or services even when the complete shipment is being received.

Complete Receipt

Conditional, alphanumeric
1 position

Place an **X** in this box when a single receiving office is recording receipt of the total order, or the last or remainder of the order when partials were previously reported.



Multiple receiving offices do not mark this box to record receipt of a shipment that is considered complete. A multiple receiving office will always mark the Partial Receipt box.

Mailing Instructions. If you are not a user of PC-PRCH, PRCHENT, or an agency-certified purchase order electronic system, place the AD-838A in a window envelope for delivery to the following address:

National Finance Center, USDA
P.O. Box 60000
New Orleans, LA 70160-0001

Type 41 Completion Instructions

This section provides specific instructions for completing an AD-838 and additional information for Type 41 orders such as: multi-agency procurement; foreign vendor procurement; IRS notice of levy of wages, salary, and other income; and assignment of claims.

Type 41 Completion Instructions For An AD-838, Purchase Order

To procure subscriptions to newspapers, periodicals, and training costs from vendors, prepare a Type 41 AD-838 ([Figure 16](#)) using the guidelines below.



Caution

(1) Do not use the Type 41 order for Budget Object Code 2340, Rents. The Type 42 is used to process payment for rent expense.

(2) To indicate a difference between the zero and alpha O used in alphanumeric blocks, slash the zeros and unslash alpha O's.

The following instructions correspond to the block numbers indicated on the AD-838. Complete the blocks as follows:

For Agency Use Only
*Optional, alphanumeric
20 positions max.*

Enter the requisitioner identification or other data required by your agency. This information will not print on the Seller's original.

① **Page No.**
Required, numeric

Enter the page number and total pages in the order (1 of 4, 2 of 4, etc.).

② **Receiving Office No.**
*Required, alphanumeric
4 positions*

Enter the last four positions of the GSA FEDSTRIP requisitioner number of the office responsible for answering inquiries concerning receipt of the order. **Do Not** include the first two positions of that number.



Reminder

To promptly receive reporting that is generated by PRCH, it is important that the requisitioner office address be current. Changes must be submitted in writing by the agency contact point through GSA, Supply Management Division, Washington, DC 20406. Agencies can verify their address by calling **703-305-7977**. (See **Reports**, [Action By Agencies Who Are Not Receiving These Memorandums/Reports](#) under **Introduction** for details.)

③ **Contact Number**
*Required, alphanumeric
20 positions max.*

Enter a contract number or **OM** for open market. If a combination of both, the higher dollar amount governs.

④ **Order Date**
*Required, numeric
8 positions*

Enter the date (mm/dd/yyyy) the order was placed with the vendor and not the date the order is prepared. The current date must not be exceeded and must be in the fiscal year indicated in the order number.

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER															
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO. XXXX		3 CONTRACT NUMBER OM		4 ORDER DATE 12/10/1996		5 SF-281 CA		6 UNIT CODE		7 FUND CODE NC		8 ORDER NUMBER 41-XXXX-7-25		9 SUB. P			
9a TYPE PURCHASE (Check one) <input checked="" type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER				9b SELLER'S IDENT. NO. 12-4234567				9c FORM 1099 <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				9d TAXPAYER'S IDENT. NO. 12-4234567							
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) Hall's Clearing House 12 South West VXP412346890 Anywhere, DC 20250-1234 202-312-1234										SHIP TO ▶		11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance USDA, National Finance Center 13800 Old Gentilly Rd. P.O. Box 60000 New Orleans, LA 70160-0001							
										PHONE (A/C & No.) 504-255-XXXX		Check One ▶ FTS ▶		COMM ▶					
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
01				One (1) year subscription to: Subscription Renewal Number: 9877543 Hudson's Washington News Directory Period 01/01/1997 - 12/31/1997 Advance payment will be sent immediately under separate cover. Identification of this payment will be made by above Purchase Order and Subscription Renewal numbers.				2660		01		1		SB		180.00		180 00	
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)()																			
21 F.O.B. POINT Destination				22 DISCOUNT AND/OR NET PAYMENT TERMS 2% 10 days net 30				22a TYPE COMMODITY/PAYMENT CODE ▶ 0				Sub-Total ▶		25		180 00			
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 01/10/1997				24 SHIP VIA				26 ESTIMATED FREIGHT 0				TOTAL ▶		27		180 00			
28 ACC LINE		29 ACCOUNTING CLASSIFICATION												30 DISTRIBUTION		31 AMOUNT			
- 2		A 5		B 10				C 5 3				D 4		E 1 4 1 2		2			
01		XXXXXXXX																	
31a ISSUING OFFICE NAME AND ADDRESS USDA, National Finance Center P.O. Box 60000 New Orleans, LA 70160-0001										31b ORDERED BY (Name and Title) Mary Brown, Procurement Officer									
										31c COMMERCIAL PHONE (Area Code and Number) 504-255-XXXX						31d FTS PHONE NO.			
										31e AUTHORIZED SIGNATURE									
NFC																			
FORM AD-838-7 (Rev. 7/90)																			

Figure 16. Form AD-838 (Type 41) (sample)

- ⑤ **SF-281**
*Required, alphanumeric
2 positions*

Enter the appropriate SF-281 code ([Appendix D](#)) to identify the method of procurement and type of business. (Data in this block permits NFC to collect the information needed to provide quarterly SF-281 reporting ([Exhibits 27](#) and [28](#)) of procurement activity for agencies to submit to FPDC.)

- ⑥ **Unit Code**
*Conditional, numeric
2 positions*

Used by FS only. If not FS, skip this block. If FS, enter the unit code.

- ⑦ **Fund Code**
*Required, alphanumeric
2 positions*

Enter the NFC assigned fund code applicable for the accounting classification in Block 28.

- ⑧ **Order Number**
*Required, alphanumeric
12 positions max.*

Enter the purchase order number as follows

- The 2-digit **purchase order type** beginning with 41.
- The 4-position **GSA FEDSTRIP requisitioner number** of the office responsible for placing the order.
- The 1-digit **fiscal year**.
- The agency-unique **control number** (5 positions max.) for the respective ordering office, usually beginning with number one for the first purchase order of the fiscal year. (It is not necessary to enter leading (left) zeros.)



Note

To successfully utilize the turnaround listing for automatic renewal of subscriptions that are approaching expiration (See **Reports, PRCHA4, Repot 01, Subscriptions To Be Renewed (Exhibit 4)**, under **Introduction**), reserve a block of purchase order numbers so that they are available each year for the exclusive use of subscriptions. If you cannot reuse the same purchase order number to renew the subscription, a new Type 41 AD-838 must be processed.

- ⑨ **Sub.**
*Conditional, alphanumeric
2 positions max.*

Enter the 1-or 2-position amendment number or special condition code. (See [Appendix E](#) for amendment criteria and sub identifiers.)

- To indicate a vendor invoice will be submitted leave Block 9 blank.
- To pay within the lower tolerance (see Block 27 for tolerance criteria) enter **TT** in Block 9.
- To indicate that an advance payment without a vendor invoice is authorized enter **P** in Block 9.



Caution

(1) Orders with a **P** in Block 9 have a ceiling of \$2,500. Orders received by NFC that exceed \$2,500 are held in suspense until personnel in the Purchase Order Section review and verify the order with the issuing agency.

(2) Because the **P** in this block generates a check without the necessity of an invoice, the seller's original AD-838 should be forwarded to the vendor only if required by the seller or when the renewal notice is returned to the vendor. Notify the vendor of the advance payment by

including information in Block 14 similar to the data in [Figure 16](#). Remember to **line-out** the billing instructions printed on the seller's original part of the order. Do not send the renewal notice to NFC if it is not to be used as an invoice. If the vendor also bills against the order, a payment notification memorandum is sent to the agency. (See **Reports, PRCH10–12. Payment Notification (Exhibit 10)** under **Introduction.**)

- To indicate that the seller is a foreign vendor not willing to accept U.S. dollars in payment and an invoice is required leave Block 9 blank. **Do not line-out** the billing instructions printed on the seller's original part of the order because an invoice is required.
- To indicate that the publishing house has a computerized systems which automatically issues a renewal notice when the subscription has expired leave Block 9 blank. If the renewal notice is the invoice, forward it to NFC with the purchase order number and renewal number written on it. Remember to **line-out** the billing instructions on the seller's original part of the AD–838 because the renewal notice is the invoice.
- To indicate that the renewal notice is not the invoice and the vendor will render an invoice leave Block 9 blank. Return the renewal notice to the vendor together with the Seller's Original part of the purchase order. **Do not line-out** the billing instructions printed on the seller's part of the AD–838 because the vendor will issue an invoice.

Type Purchase

9a Required, alphanumeric
1 position

Enter an **X** in the purchase order box when the order involves a purchase order, or enter an **X** in the delivery order box when the purchase covers a delivery order.

- A **purchase order** is an offer by the Government to buy goods or services upon specified terms and conditions using simplified acquisition procedures.
- A **delivery order** is an order for goods or services placed against an established contract or with Government sources of supply.

Seller's Ident. No.

9b Required, alphanumeric
9 positions

Enter the vendor's TIN. Valid formats for the TIN are the EIN (formatted 00–0000000) or the SSN (formatted as 000–00–0000).

Form 1099

9c Required, alphanumeric
1 position

Enter an **X** in the No box when IRS Form 1099 tax reporting is not required or enter an **X** in the Yes box when the seller is subject to IRS 1099 tax reporting.



Caution

All nonforeign corporations are now subject to IRS 1099 tax reporting. For more information concerning the tax reporting process, see **Overview, Internal Revenue Service (IRS) Form 1099 Tax Reporting** under **Introduction.**

Taxpayer's Ident. No.

9d Required, numeric
9 positions

Enter the seller's TIN. Valid formats for the TIN are the EIN (formatted 00–0000000) or the SSN (formatted as 000–00–0000).



Note

The TIN is required for DCIA compliance and 1099 tax reporting. However, foreign vendors and intergovernmental payments may not be required to have a TIN. In these cases, leave this block blank and be sure to enter an appropriate foreign vendor or intergovernmental code in Block 5, SF-281. (See **Overview**, [Complying With The Debt Collection Improvement Act OF 1996](#) under **Introduction** for more information.)

- ⑩ **To: Seller's Name, Address, City, State, ZIP Code, and Phone No.)**
Required, alphanumeric

On the **first** line enter the seller/vendor name (*34 positions max.*). On the **second** line enter the street address or post office box number (*32 positions max.*). On the **third** line enter any additional address data needed (*24 positions max.*). If the vendor is enrolled in Vendor Express, enter the 9-digit Vendor Express ID number on this **third** line (for example, VXPXXXXXXXXX). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*). On the **fifth** line enter the area code and telephone number (*10 positions*) of the vendor.



Reminder

DCIA requires vendors to receive payments electronically unless the vendor certifies that an account at a financial institution is not available. When contracting for goods or services with a new vendor, the agency is required to obtain necessary banking information for enrollment in the Vendor Express program. Starting January 1, 1999, all Federal payments will be made by DD/EFT unless a wavier is approved. Agencies should refer to the Vendor Express procedure (Title II, Chapter 1, Section 2) for more information. Agencies can also contact the NFC Administrative Payments Branch, Miscellaneous Payments Section, at **504-255-4647** for information concerning Vendor Express and to obtain the Vendor Enrollment Package required for implementation. Vendors can contact this section by calling toll-free **1-800-421-0323**.

- ⑪ **Ship to: Consignee, Address, ZIP Code, and Place of Inspection and Acceptance**
Required, alphanumeric

On the **first** line enter the name of the agency (*34 positions max.*) that will receive and inspect the order. On the **second** line enter the street address (*32 positions max.*) where delivery is required. On the **third** line enter any additional address data needed (*32 positions max.*). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*).

Phone (A/C & No.)
Required, numeric
10 positions

Enter the telephone number of the consignee. If a commercial number, enter **X** in the Comm. box.

- ⑫ **Line Item**
Required, numeric
2 positions

Enter the line item number beginning with **01** through **99**.

- ⑬ **Act Code**
Conditional, alphanumeric
1 position

Enter the action code ([Appendix F](#)) that identifies amounts that are added to or deducted from the subtotal in Block 25. (For examples, see **Additional Information For Type 40 Orders**, [Entering Action Codes In Block 13](#) under **Type 40 Completion Instructions**.)

- 14 Description**
Required, alphanumeric

Enter the number of the subscription, name of the subscription, and beginning/ending date (mm/dd/yyyy) separately in this block as illustrated in [Figure 16](#). If a subscription number is not available, state this information on the AD-838. Include the acknowledgement request that may be required from the vendor or other special information.

- 15 Budget Object**
Required, numeric
4 positions

Enter the object classification code that define items related to Block 14. (See Title V, Chapter 3, Budget Object Classification Codes, for a reference list of these codes.)

- 16 Acc Line**
Required, alphanumeric
2 positions

Enter the accounting line number (Block 28) that the line item (Block 12) will be charged or enter **X** when the accounting will be distributed. Be sure to enter accounting data in Blocks 28 and 29. If you entered **X**, include distribution in Block 30.



Do not exceed 99 accounting lines for each order.

- 17 Quantity**
Required, numeric
8 positions max.

Enter the whole number (*5 positions max.*), a decimal, and the decimal part (*3 positions max.*). (For example, a quantity of 50 1/4 dozens = **50.25**.)

- 18 Unit Issue**
Required, alphanumeric
3 positions max.

Enter **SB** for subscription or other appropriate unit of measurement.

- 19 Unit Price**
Required, numeric
10 positions max.

After ensuring that the unit price is current, enter the dollar portion of the unit price (*6 positions max.*), a decimal, and the cents portion (*4 positions max.*).

- 20 Amount**
Required, numeric
8 positions max.

Enter the amount of the extended value of the line item (quantity \times the unit price). Round off to 2 decimal places.

- 20a This Purchase Order
Negotiated Pursuant to
Authority of 41 USC 252(c).**
No entry

Skip this block.



Blocks 21 through 31e. If the order contains more than one page, cut off these blocks on all pages except the last page. The data for these blocks should be indicated only on the last page of the order.

- 21 F.O.B. Point**
Required, alphanumeric
11 positions max.

Enter the shipping terms in accordance with the terms of the contract or purchase action. Enter **destination** when the vendor agrees to pay the transportation cost. Enter **origin** when the agency agrees to pay the transportation cost.

- 22 Discount And/Or Net
Payment Terms**
Required, alphanumeric

Enter the exact terms of the time discount using decimals instead of fractions and net payment terms (for example, **2% 10 days net 30**, or **1.5% 12 days net 20**, or if no time discount is offered, enter the payment terms (e.g., **net 20, 30, 45**, etc.).



When applicable, be sure the Type Commodity/Payment Code, Block 22a, agrees with the net payment terms in this block. Enter 7 for Code M, 10 for Codes D or P, 14 for Code C, or 30 and over for Code O.

(22a) Type Commodity/Payment Code

Required, alphanumeric
1 position



Caution

Enter *M*, *D*, *P*, *C*, *O*, or *X*. (See [Appendix G](#) for a description and the proper use of these codes.)

A separate order must be issued for each different code. Also, when applicable, be sure the net payment terms in Block 22 indicate 7 for Code M, 10 for Codes D or P, 14 for Code C, or 30 and over for Code O.

(23) Deliver to F.O.B. Point On Or Before (Date)

Required, numeric
8 positions

Enter the date (mm/dd/yyyy) that delivery is expected or the first issue of the subscription is due.

(24) Ship Via

Conditional, alphanumeric
22 positions max.

Enter method of shipment (e.g., parcel post or air mail.) when Block 21 shows *origin*. If Block 21 shows *destination*, skip this block.

(25) Sub-Total

Required, numeric
9 positions max.



Note

Enter the cumulative total of all line items for the entire order.

This is the total that appears on the Seller's Original.

(26) Estimated Freight

Conditional, numeric
7 positions max.



Caution

Enter the estimated freight charge when the agency agrees to pay the transportation charge. If no charge is payable, enter *O* or *none*.

(1) Do not charge freight to a line item through the use of Action Code F (freight) and show an amount in estimated freight (Block 26) on the same order (See [Figure 7](#)).

(2) In accordance with FAR, if the transportation charge will be in excess of \$100, the vendor should be advised that a receipted freight or waybill is required prior to payment. Also, in accordance with a comptroller general decision, a \$15 freight tolerance in addition to any freight amount indicated on the order can be paid. NFC will prorate the estimated freight amount over the accounting classification and will include this in the obligation data that is reported back to the agency accounting stations. Postage and handling charges should be considered freight.

(27) Total

Required, numeric
9 positions max.


Enter the total for all items (sub-total plus estimated freight) on the last page of the order.

Tolerance Criteria. To avoid payment delays to vendors and costly and time-consuming telephone calls made by NFC to agencies, the following tolerance criteria was developed to pay Type 41 purchase order invoices that exceed the total value of the order:

- Orders that indicate a total value of \$165 are paid up to an additional amount of \$25 (excluding freight) more than its value.
- Orders greater than \$165 are paid up to an additional 15 percent, not to exceed \$50 (excluding freight) more than its total value. Another \$15 is allowed when the accumulated freight charges invoiced for the order were not obligated; i.e., no estimated freight is indicated in Block 13 or Block 26 of the AD-838. Another \$50 will be allowed

when the accumulated freight charges invoiced for the order were obligated (i.e., freight as shown in Block 13 or Block 26 of the AD-838).

- As previously explained in Block 9, Sub, if procurement officials do not want these tolerance limits applied to an order, the AD-838 should be coded **TT** in Block 9, Sub. When **TT** is indicated in Block 9, payment will be made in the lower tolerance amount of \$15 more than the total value of the order (excluding freight). An additional \$15 will be allowed when the accumulated freight charges invoiced for the order exceed the obligated estimated freight. Code **TT** in Block 9 can only be used on the initial order. Once the code is used, it cannot be changed. To remove Code TT, the order must be canceled and if otherwise valid, reissued under a new order number.

- | | |
|--|--|
| <p>28 Acc Line
<i>Required, numeric
2 positions</i></p> | <p>Enter the accounting line number (Block 16) that corresponds to the accounting line (Block 28). If X is indicated in Block 16, at least 2 lines of accounting data must be entered. Each accounting line number is consecutively numbered and unique ranging from 01 through 99.</p> |
| <p>29 Accounting Classification
<i>Required, alphanumeric
27 positions max.</i></p> | <p>Enter the agency assigned management or accounting classification code. Each accounting line recorded in Block 16 must be supported by an accounting classification code in this block.</p> |
| <p>30 Distribution
<i>Conditional, numeric
2 positions</i></p> | <p>Enter the percentage (whole numbers), of distribution for each line of accounting. The percentages must total 100 percent. When an X is indicated in Block 16, two or more lines of accounting must be shown in Blocks 28 and 29. (This block is also used to identify multi-agency procurement (see Figure 12).)</p> |
| <p>31 Amount
<i>Conditional, numeric
9 positions max.</i></p> | <p>Enter amount applicable to each accounting line. The data shown in this block is for agency or NFC convenience in checking accounting line charges.</p> |
| <p>31a Issuing Office Name and Address
<i>Required, alphanumeric</i></p> | <p>On the first line enter the issuing office name (<i>34 positions max.</i>). On the second line enter the street address or post office box number (<i>31 positions max.</i>). On the third line enter any additional address data needed (<i>32 positions max.</i>). On the fourth line enter the name of the city (<i>20 positions max.</i>), the state abbreviation (<i>2 positions</i>), and the ZIP Code (<i>9 positions max.</i>).</p> |
| <p>31b Ordered By (Name and Title)
<i>Required, alphanumeric</i></p> | <p>Enter the name (<i>25 positions max.</i>) and title (<i>25 positions max.</i>) of the procurement official authorized to sign the order.</p> |
| <p style="text-align: center;">
Caution</p> | <p>Only individuals with properly delegated procurement authority should sign the order. If required, NFC will contact this person about the order.</p> |
| <p>31c Commercial Phone (Area Code and Number)
<i>Required, numeric
10 positions</i></p> | <p>Enter the telephone number of the official named in Block 31b. This information will be used by the vendor and NFC.</p> |

FTS Phone No.
(31d) No entry

Skip this block.



Note

If the order was identified as a 41-P, verify that the billing instructions on the seller's part of the AD-838 are deleted as discussed in Block 9, Sub.

Authorized Signature
(31e) Required

The signature of the official named in Block 31b.

Mailing Instructions. Forward the Seller's Original part of the order to the seller. If you are not a user of the PC-PRCH, PRCHENT, or an agency-certified purchase order electronic system, forward the NFC original part of the AD-838 to:

National Finance Center, USDA
P.O. Box 60000
New Orleans, LA 70160-0001

Additional Information For Type 41 Orders

This section provides instructions for multi-agency procurement; foreign vendor procurement; IRS levy of wages, salary, and other income; and assignment of claims.

Multi-Agency Procurement (Type 41)

To prorate the cost of an item to one or more agencies ([Figure 12](#)), the procuring agency:

- Enter the assigned fund code of the office preparing the form in Block 7, Fund Code.
- Records that item as a separate entry for each agency sharing the cost of the order and enters the exact amount assessed to each agency in Block 20, Amount.
- Identifies each agency sharing the cost by entering the applicable accounting line in Block 28, accounting classification in Block 29, and agency code enclosed by parenthesis in Distribution, Block 30.



Note

Do not enter the agency code of the procuring agency or the accounting distribution percentage in Block 30.

Foreign Vendor Procurements To Be Paid In Foreign Currency (Type 41)

Foreign currency payments can only be processed through use of Types 40 and 41 purchase orders. Type 41 orders issued to foreign vendors must be in U.S. dollars for obligation purposes even if the U.S. dollar amount must be estimated. PRCH obligates and records U.S. dollars only.

Enter code *U* in Block 5, SF-281, on the AD-838 indicate the procurement source is from a foreign vendor. This code flags the order and alerts NFC to expect a foreign remittance address on the applicable order.

Type 41 orders with a **P** in Block 9, Sub, will pay immediately without an invoice and can only be issued to a foreign vendor when the vendor is willing to accept a payment in U.S. dollars. (Vendors not willing to accept the U.S. dollar payment should not have **P** in Block 9, Sub.)

When agencies purchase from a foreign vendor, the agency should:

- Ensure that the invoice will be submitted to NFC when foreign currency payments are required. Inform the vendor that the invoice should specify the currency that the vendor will accept in payment of the invoice.
- Advise the vendor to verify that the country is part of the remittance address on the invoice. If a foreign vendor requests payment be made to a bank in a country other than their own, the specific country in which the bank is located should be shown as the remittance address on the invoice.
- Negotiate with the vendor to add 20 days to the payment period for foreign currency payment to vendors abroad. This additional time will enable NFC to use foreign disbursing facilities provided by U.S. Disbursing Officers, and permit NFC to target payment within the timeframes established by the Prompt Payment Act. (Ref: Treasury Fiscal Requirements Manual, Volume 1, Paragraph 2075.40.)

IRS Notice Of Levy On Wages, Salary, And Other Income (Forms 668–W(c), 668–A, et al.) (Type 41)

Upon receipt of the notice of levy from IRS, the agency should immediately telephone NFC at **504–255–5464** to notify NFC’s certifying officer of the pending notice of levy.



If the notice of levy is sent directly to NFC by IRS, NFC will return it to IRS for submission to the applicable agency.

Agencies should process the notice of levy as follows:

- Record the purchase order number(s) on the notice of levy.
- Forward the notice of levy to NFC by memorandum for processing. The memorandum should include the name and address of the contractor/vendor and the purchase order number(s). Address the memorandum to:

National Finance Center, USDA
Certification and Disbursement Section
P.O. Box 60963
New Orleans, LA 70160–0963

- Retain a copy of the notice of levy in a pending file as a reminder to notify NFC of the purchase order number if additional procurements are made from that contractor/vendor.



Type 41 Purchase Orders With **P** In the Sub Block are paid by NFC immediately upon receipt. Therefore, the agency must receive the notice of levy before the order is forwarded to NFC. This type order cannot be amended.

Assignment Of Claims (Type 41)

An assignment of claims for money due or to become due under a purchase order can only be received from a bank, trust company, or other financing institution, including any Federal lending agency.

The assignment of claims documentation should consist of four original signed copies of the notice, together with one true copy of the instrument of assignment.

Upon receipt of a notice of assignment, the agency will immediately telephone NFC at **504-255-5464** to notify the certifying officer of the pending assignment.

When the assignment obligation is satisfied, the release of assignment must be received by NFC from the financing institution so that the notice of assignment record can be removed from the assigned purchase order(s). Further payments will then be sent to the payee that was initially shown on the order.



(1) Type 41 purchase orders with **P** in the sub block are paid by NFC immediately upon receipt. Therefore, the agency must receive the notice of assignment before the order is forwarded to NFC. This type order cannot be amended.

(2) C&DS will not accept photostatic (including faxed) copies of this documentation. Only originals or photostatic copies that have the original stamp of a certified true duplicate will be processed.

(3) If a change of assignment to another financial institution is necessary, a release of assignment from the previous financial institution must be processed by C&DS before the re-assignment can be processed.

(4) Since liability for payments begins with receipt of acknowledgement, agency procurement officials should not sign or acknowledge the assignment documentation that pertains to Type 40, 41, 43, 45, and 60 orders. The assigned documentation for these orders will be examined and acknowledged by NFC.

Agencies are to process the notice of assignment as follows:

- Record the purchase order number(s) on the assignment.
- Retain one copy of the assignment and forward the other three copies and the notarized copy to the address below for review and acknowledgement by NFC's certifying officer:

National Finance Center, USDA
Certification and Disbursement Section
P.O. Box 61700
New Orleans, LA 70160-0963

Type 42 Completion Instructions

This section provides specific instruction for completing an AD-838 and additional information for Type 42 orders such as: multi-agency procurement; IRS notice of levy on wages, salary, and other income; and assignment of claims.

Type 42 Completion Instructions For An AD-838, Purchase Order

To procure goods and services for a fixed cost and quantity with anticipated recurring automatic cyclic or one time lease and other retroactive payments (e.g., space/facility leases/rental or janitorial services), prepare a Type 42 AD-838 ([Figure 17](#)) using the guidelines below. **Billing from the vendor is not required.** Type 42 orders will automatically pay in accordance with the information contained in Block 14.



Caution

(1) Do not issue a Type 42 to a foreign vendor who will bill in foreign currency. Foreign currency payments can only be processed through Type 40 and 41 purchase orders.

(2) In preparing a revised order for lease payments, the old order **must** be canceled before the new order is processed. This will avoid a possible duplicate payment in PRCH.

(3) To indicate a difference between the zero and alpha O used in alphanumeric blocks, slash the zeros and unslash alpha O's.

The following instructions correspond to the block numbers indicated on the AD-838. Complete the blocks as follows:

For Agency Use Only
*Optional, alphanumeric
20 positions max.*

Enter the requisitioner identification or other data required by your agency. This information will not print on the Seller's original.

① **Page No.**
Required, numeric

Enter the page number and total pages in the order (1 of 4, 2 of 4, etc.).

② **Receiving Office No.**
*Required, alphanumeric
4 positions*

Enter the last four positions of the GSA FEDSTRIP requisitioner number of the office responsible for answering inquiries concerning receipt of the order. **Do Not** include the first two positions of that number.



Reminder

To promptly receive reporting that is generated by PRCH, it is important that the requisitioner office address be current. Changes must be submitted in writing by the agency contact point through GSA, Supply Management Division, Washington DC 20406. Agencies can verify their address by calling **703-305-7977**. (See **Reports**, [Action By Agencies Who Are Not Receiving Memorandums/Reports](#) under **Introduction** for details.)

FOR AGENCY USE ONLY			UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER																
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO. XXXX		3 CONTRACT NUMBER OM		4 ORDER DATE 11/01/1996		5 SF-281 C1		6 UNIT CODE		7 FUND CODE XB		8 ORDER NUMBER 42-XXXX-7-12		9 SUB.			
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.							
<input checked="" type="checkbox"/> PURCHASE ORDER				<input type="checkbox"/> DELIVERY ORDER				<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES				123-45-6789							
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)								11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance											
Max Smith P.O. Box 123 VXP987654321 Anytown, MT 59404-4000 406-587-1111								<div style="text-align: center;">SHIP TO ▶</div> USDA, Soil Conservation Service 1211 NW Bypass Anytown, MT 59404-4000 PHONE (A/C & No.) 406-585-5676 Check One ▶ FTS ▶ COMM ▶											
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
01				Janitorial Service beginning Dec. 1, 1996, and ending September 30, 1997, per attached work performance requirements unless terminated by either party upon 30 days written notice. Start Date – 12/31/1996 Pay Cycle – MO No. of payments – 10 Amount Each – \$900.00				2511		01		10		MO		900.00		9000 00	
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																			
21 F.O.B. POINT Destination				22 DISCOUNT AND/OR NET PAYMENT TERMS Net 30				22a TYPE COMMODITY/PAYMENT CODE ▶ 0				Sub-Total ▶		25		9000 00			
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 01/01/1997				24 SHIP VIA				26 ESTIMATED FREIGHT 0				TOTAL ▶		27		9000 00			
28 ACC LINE		29 ACCOUNTING CLASSIFICATION												30 DISTRIBUTION		31 AMOUNT			
- 2		A 5 B 10 C 5 3 D 4 E 1 4 1 2												2					
01		XXXXX XX XX						XXXX											
31a ISSUING OFFICE NAME AND ADDRESS USDA – NRCS Federal Bldg., Room 443 10 East Babcock St. Anytown, MT 59715-1234								31b ORDERED BY (Name and Title) Mary Brown, Contract Specialist											
								31c COMMERCIAL PHONE (Area Code and Number) 406-XXX-XXXX				31d FTS PHONE NO.							
								31e AUTHORIZED SIGNATURE											
NFC																			
FORM AD-838-7 (Rev. 7/90)																			

Figure 17. Form AD-838 (Type 42) – Cyclic Payments (sample)

- ③ **Contract Number**
Required, alphanumeric
20 positions max.

- ④ **Order Date**
Required, numeric
8 positions max.



Caution

- ⑤ **SF-281**
Required, alphanumeric
2 positions

- ⑥ **Unit Code**
Conditional, numeric
2 positions

- ⑦ **Fund Code**
Required, alphanumeric
2 positions

- ⑧ **Order Number**
Required, alphanumeric
12 positions max.



Note

- ⑨ **Sub.**
Conditional, alphanumeric
2 positions max.



Note

Enter a contract number or **OM** for open market. If a combination of both, the higher dollar amount governs.

Enter the date (mm/dd/yyyy) the order was placed with the vendor and not the date the order is prepared. The current date must not be exceeded and must be in the fiscal year indicated in the order number.

If the order date is after the payment start date indicated in Block 14, the payment will be late resulting in late payment interest penalties in accordance with the Prompt Payment Act.

Enter the appropriate SF-281 code ([Appendix D](#)) to identify the method of procurement and type of business. (Data in this block permits NFC to collect the information needed to provide quarterly SF-281 reporting ([Exhibits 27](#) and [28](#)) of procurement activity for agencies to submit to FPDC.)

Used by FS only. If not FS, skip this block. If FS, enter the code.

Enter the NFC assigned fund code applicable for the accounting classification in Block 28.

Enter the purchase order number as follows:

- The 2-digit **purchase order type** beginning with 42.
- The 4-position **GSA FEDSTRIP requisitioner number** of the office responsible for placing the order.
- The 1-digit **fiscal year**.
- The agency-unique **control number** (5 positions max.) for the respective ordering office, usually beginning with number one for the first purchase order of the fiscal year. (It is not necessary to enter leading (left) zeros.)

To successfully utilize the turnaround listing for automatic renewal of Type 42 orders into the next fiscal year (see **Reports**, [PRCHA1 Report 01](#), ([Exhibit 2](#)) under **Introduction**), reserve a block of purchase order numbers so that they are available each year for the exclusive use of Type 42 orders. If you cannot reuse the same purchase order number, a new Type 42 must be issued and processed.

Enter the 1- or 2-position special condition code ([Appendix E](#)).

Obligations are not made until the month for which payment will be generated and only in the amount that applies to the payment.

- If the entire amount of the order should be obligated leave Block 9 blank.
- If the order should be obligated for specific dollar amounts in installments enter **M** plus the appropriate letter or number from the list below in Block 9.

M2 = Obligate in 2 monthly installments
M3 = Obligate in 3 monthly installments
M4 = Obligate in 4 monthly installments
M5 = Obligate in 5 monthly installments
M6 = Obligate in 6 monthly installments
M7 = Obligate in 7 monthly installments
M8 = Obligate in 8 monthly installments
M9 = Obligate in 9 monthly installments
M0 = Obligate in 10 monthly installments
M1 = Obligate in 11 monthly installments
MM = Obligate in 12 monthly installments
 (October 31 is used as the beginning date for the statement of obligations in the master)
MQ = Obligate quarterly (every 3 months)
MT = Obligate triannually (every 4 months)
MS = Obligate semiannually (every 6 months)

- To change the seller's name and address enter **DA** in Block 9.
- To cancel the Memo (M) obligation feature enter **CM** in Block 9.
- To cancel the entire order enter **CN** in Block 9. Be sure to indicate the last authorized automatic payment in Block 14. (For example, Last Authorized Payment 10/31/97. The cancellation is effective 11/01/97.)
- To change other information, the order must be canceled (CN) and reissued using a new order number.

Type Purchase

9a Required, alphanumeric
1 position

Enter **X** in the purchase order box when the order involves a purchase order or enter **X** in the delivery order box when the purchase covers a delivery order.

- A **purchase order** is an offer by the Government to buy goods or services upon specified terms and conditions using simplified acquisition procedures.
- A **delivery order** is order for goods or services placed against an established contract or with Government sources of supply.

Seller's Ident. No.

9b Required, numeric
9 positions

Enter the vendor TIN. Valid formats for the TIN are the EIN (formatted 00-0000000) or the SSN (formatted as 000-00-0000).

Form 1099

9c Required, alphanumeric
1 position

Enter **X** in the No box when IRS Form 1099 tax reporting is not required or enter **X** in the Yes box when the seller is subject to IRS Form 1099 tax reporting.



Caution

All nonforeign corporations are now subject to IRS 1099 tax reporting. (For details concerning the Form 1099 tax reporting process, see **Overview, Internal Revenue Service (IRS) Form 1099 Tax Reporting** under **Introduction.**)

Taxpayer's Ident. No.

9d Required, numeric
9 positions

Enter the seller's TIN. Valid formats for the TIN are the EIN (formatted 00-0000000) or the SSN (formatted as 000-00-0000).



Note

The TIN is required for DCIA compliance and 1099 tax reporting. However, foreign vendors and intergovernmental payments may not be required to have a TIN. In these cases, leave this block blank and be sure to enter an appropriate foreign vendor or intergovernmental code in Block 5, SF-281. (See **Overview**, [Complying With The Debt Collection Improvement Act OF 1996](#) under **Introduction** for more information.)

- ⑩ **To: (Seller's Name, Address, City, State, ZIP Code, and Phone No.)**
Required, alphanumeric

On the **first** line enter the seller/vendor name (*34 positions max.*). On the **second** line enter the street address or post office box number (*32 positions max.*). On the **third** line enter any additional address data needed (*24 positions max.*). If the vendor has been enrolled in Vendor Express, enter the 9-digit Vendor Express ID number on this line (for example, VXPXXXXXXXXX). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*). On the **fifth** line enter the area code and telephone number (*10 positions*) of the vendor.



Reminder

DCIA requires vendors to receive payments electronically unless the vendor certifies that an account at a financial institution is not available. When contracting for goods or services with a new vendor, the agency is required to obtain necessary banking information for enrollment in the Vendor Express program. Starting January 1, 1999, all Federal payments will be made by DD/EFT unless a waiver is approved. Agencies should refer to the Vendor Express procedure (Title II, Chapter 1, Section 2) for more information. Agencies can also contact the NFC Administrative Payments Branch, Miscellaneous Payments Section, at **504-255-4647** for information concerning Vendor Express and to obtain the Vendor Enrollment Package required for implementation. Vendors can contact this section by calling toll-free **1-800-421-0323**.

- ⑪ **Ship to: Consignee, Address, ZIP Code, and Place of Inspection and Acceptance**
Required, alphanumeric

On the **first** line enter the name of the agency (*34 positions max.*) that will receive and inspect the order. On the **second** line enter the street address (*32 positions max.*) where delivery is required. On the **third** line enter any additional address data needed (*32 positions max.*). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*).

Phone (A/C & No.)
Required, numeric
10 positions.

Enter the telephone number of the consignee. If a commercial number, enter **X** in the Comm. box.

- ⑫ **Line Item**
Required, numeric
2 positions

Enter the line item number beginning with **01** through **99**.

- ⑬ **Act Code**
Conditional, alphanumeric
1 position

Enter the action code ([Appendix F](#)) that identifies amounts that are added to or deducted from the subtotal in Block 25. (For examples, see **Additional Information For Type 40 Orders**, [Entering Action Codes in Block 13](#) under **Type 40 Completion Instructions**.)

- ⑭ **Description**
Required, alphanumeric

Enter complete description of space/facility lease/rental or janitorial services (see [Figure 17](#)). Add the following information separately in this block:



Caution

- **Start Date.** Enter the date the vendor should receive the first payment (mm/dd/yyyy). This date must not be before the rental/lease or janitorial service is received because this would result in an advance payment. It can be within the past month or next 3 months.

Be sure the order is issued before the payment start date. If the order date is after the payment start date, the payment will be late resulting in interest penalties in accordance with the Prompt Payment Act.

- **Pay Cycle.** Enter the code that describes when payment should be made. Valid entries are *AN* (annual); *SA* (semiannual); *QT* (quarterly); *BM* (bimonthly); *MO* (monthly); *BW* (biweekly), and *WK* (weekly), *SM* (semimonthly), and *TA* (triannually).
- **No. of Payments.** Enter the number of automatic payments in the cycle.
- **Amount Each.** Enter the amount of each payment in the automatic pay cycle.



Note

Also, use this block when acknowledgement of an order is required or other special information must be provided to the vendor.

Budget Object

15 Required, numeric
4 positions

Enter the object classification code that define items related to Block 14. (See Title V, Chapter 3, Budget Object Classification Codes, for a reference list of these codes.)

Acc Line

16 Required, alphanumeric
2 positions

Enter the accounting line number (Block 28) that the line item (Block 12) will be charged or enter *X* when the accounting will be distributed. Be sure to enter data in Blocks 28 and 29. If you entered *X*, include distribution in Block 30.



Caution

Do not exceed 99 accounting lines for each order.

Quantity

17 Required, numeric
8 positions max.

Enter the whole number (5 positions max.), a decimal, and the decimal part (3 positions max.). (For example, a quantity of 50 1/4 = 50.25.)

Unit Issue

18 Required, alphanumeric
3 positions max.

Enter the pay cycle. Valid entries are *AN*, *SA*, *QT*, *BM*, *MO*, *BW*, *WK*, *SM*, and *TA*.

Unit Price

19 Required, numeric
10 positions max.

After ensuring that the unit price is current, enter the dollar portion of the unit price (6 positions max.), a decimal, and the cents portion (4 positions max.).

Amount

20 Required, numeric
8 positions max.

Enter the amount of the extended value of the line item (quantity \times the unit price). Round off to 2 decimal places.

This Purchase Order Negotiated Pursuant to Authority of 41 USC 252(c).

20a


No entry

Skip this block.



Note

Blocks 21 through 31e. If the order contains more than one page, cut off these blocks on all pages except the last page. The data for these blocks should be indicated only on the last page of the order.

- | | |
|--|--|
| <p>21 F.O.B. Point
Required, alphanumeric
11 positions max.</p> | <p>Enter shipping terms in accordance with the terms of the contract or purchase action. Enter destination when the vendor agrees to pay the transportation cost. Enter origin when the agency agrees to pay the transportation cost. (Type 42 orders are usually destination.)</p> |
| <p>22 Discount And/Or Net Payment Terms
Required, alphanumeric
20 positions</p> | <p>Enter net 30 days. (Time discounts are not valid for Type 42 orders because payments are automatically generated to vendors (no invoice is involved).)</p> |
| <p>22a Type Commodity/Payment Code
Required, alphanumeric
1 position</p> | <p>Enter M, D, P, C, O, or X. (See Appendix G for a description and the proper use of these codes. Type 42 is usually Code O.)</p> |
| <p>23 Deliver to F.O.B. Point On Or Before (Date)
Required, numeric
8 positions</p> | <p>Enter the date (mm/dd/yyyy) that the delivery is expected or the date of completion of services.</p> |
| <p>24 Ship Via
Conditional, alphanumeric
22 positions max.</p> | <p>When Block 21 shows origin, enter the method of shipment (e.g., parcel post, air mail, motor freight or railway express). If Block 21 shows destination, skip this block. (This block is usually left blank for Type 42 orders.)</p> |
| <p>25 Sub-Total
Required, numeric
9 positions max.</p> | <p>Enter the cumulative total of all line items for the entire order.</p> |
| <p> Note</p> | <p>This is the total that appears on the Seller's Original.</p> |
| <p>26 Estimated Freight
Conditional, numeric
7 positions max.</p> | <p>Enter the estimated freight charge when the agency agrees to pay the transportation charge. If no charge is payable, enter 0 or none. (Type 42 orders usually do not have freight charges.)</p> |
| <p>27 Total
Required, numeric
9 positions max.</p> | <p>Enter the total for all items (sub-total plus estimated freight) on the last page of the order.</p> |
| <p>28 Acc Line
Required, numeric
2 positions</p> | <p>Enter the accounting line number (Block 16) that corresponds to the accounting line (Block 28). If X is indicated in Block 16, at least 2 lines of accounting data must be entered. Each accounting line number is consecutively numbered and unique ranging from 01 through 99.</p> |
| <p>29 Accounting Classification
Required, alphanumeric
27 positions max.</p> | <p>Enter the agency assigned management or accounting classification code. Each accounting line recorded in Block 16 must be supported by an accounting classification code in this block.</p> |
| <p>30 Distribution
Conditional, numeric
2 positions</p> | <p>Enter the percentage (whole numbers) of distribution for each line of accounting. The percentages must total 100 percent. When an X is indicated in Block 16, two or more lines of accounting must be shown in Blocks 28 and 29. (This block is also used to identify multi-agency procurement. (See Figure 12.)</p> |

- | | |
|---|---|
| <p>31 Amount
<i>Conditional, numeric
9 positions max.</i></p> | Enter amount applicable to each accounting line. The data shown in this block is for agency or NFC convenience in checking accounting line charges. |
| <p>31a Issuing Office Name and Address
<i>Required, alphanumeric</i></p> | On the first line enter the issuing office name (<i>34 positions max.</i>). On the second line enter the street address or post office box number (<i>31 positions max.</i>). On the third line enter any additional address data needed (<i>32 positions max.</i>). On the fourth line enter the name of the city (<i>20 positions max.</i>), the state abbreviation (<i>2 positions</i>), and the ZIP Code (<i>9 positions max.</i>). |
| <p>31b Ordered By (Name and Title)
<i>Required, alphanumeric</i></p> | Enter the name (<i>25 positions max.</i>) and title (<i>25 positions max.</i>) of the procurement official authorized to sign the order. |
| <p>31c Commercial Phone (Area Code and Number)
<i>Required, numeric
10 positions</i></p> | Enter the telephone number of the official named in Block 31b. This information will be used by the vendor and NFC. |
| <p>31d FTS Phone No.
<i>No entry</i></p> | Skip this block. |
| <p>31e Authorized Signature
<i>Required</i></p> | The signature of the official named in Block 31b. |



Mailing Instructions. Forward the Seller's Original part of the order to the seller. If you are not a user of the PC-PRCH, PRCHENT or an agency-certified purchase order electronic system, forward the NFC original part of the AD-838 to:

National Finance Center, USDA
P.O. Box 60000
New Orleans, LA 70160-0001

Additional Information For Type 42 Orders

This section provides instructions for multi-agency procurement; IRS notice of levy of wages, salary, and other income; and assignment of claims.

Multi-Agency Procurement (Type 42)

To prorate the cost of an item to one or more agencies ([Figure 12](#)), the procuring agency:

- Enter the assigned fund code of the office preparing the form in Block 7, Fund Code.

- Records that item as a separate entry for each agency sharing the cost of the order and enters the exact amount assessed to each agency in Block 20, Amount.
- Identifies each agency sharing the cost by entering the applicable accounting line in Block 28, accounting classification in Block 29, and agency code enclosed by parenthesis in Distribution, Block 30.



Note

Do not enter the agency code of the procuring agency or the accounting distribution percentage in Block 30.

IRS Notice Of Levy On Wages, Salary, And Other Income (Forms 668–W(c), 668–A, et al.) (Type 42)

Upon receipt of the notice of levy from IRS, the agency should immediately telephone NFC at **504–255–5464** to notify NFC’s certifying officer of the pending notice of levy.



Note

If the notice of levy is sent directly to NFC by IRS, NFC will return it to IRS for submission to the applicable agency.

Agencies should process the notice of levy as follows:

- Retain the notice of levy in a pending file as a reminder to indicate IRS as the payee on the purchase order if additional procurements are made from that contractor/vendor.
- Query PRCH by using electronic access or by telephoning the Purchase Order Section at **504–255–4724** to determine current or prior payments against the assigned order(s).



Note

When the order has been submitted to NFC and NFC has not releases the automatic payment to Treasury, the agency can request a payee name and address change. This request must be received by NFC at least 3 days before payment is scheduled to be released to Treasury. The change will be made by C&DS only when accompanying documentation from the agency is legal and valid. If the check has not been issued by the Treasury Financial Center, a stop payment or a redirection of the payment to NFC’s collections officer can be requested.

- Prepare an amended AD–838 (with **DA** in Block 9, Sub), changing the payee name and address from the seller to that of IRS. Immediately forward the amended order to NFC so that future automatic payments will be sent to the IRS.
- Prepare an acknowledgement letter to IRS citing the assigned order number(s). Include any prior payment information and request that IRS forward a release of levy to the agency after the indebtedness for the contractor/vendor has been liquidated.
- Upon receipt of a release of levy, prepare an amended AD–838 (with **DA** in the Sub block), changing the payee name and address from IRS to that of the seller. Immediately forward the amended order to NFC so that future automatic payments will be sent to the seller.

Assignment Of Claims (Type 42)

An assignment of claims for money due or to become due under a purchase order can only be received from a bank, trust company, or other financing institution, including any Federal lending agency.

The assignment of claims documentation should consist of four original signed copies of the notice, together with one true copy of the instrument of assignment.

Upon receipt of a notice of assignment, the agency will immediately telephone NFC at **504-255-5464** to notify the certifying officer of the pending assignment.

When the assignment obligation is satisfied, the release of assignment must be received by NFC from the financing institution so that the notice of assignment record can be removed from the assigned purchase order(s). Further payments will then be sent to the payee that was initially shown on the order.



Caution

(1) C&DS will not accept photostatic (including faxed) copies of this documentation. Only originals or photostatic copies that have the original stamp of a certified true duplicate will be processed.

(2) If a change of assignment to another financial institution is necessary, a release of assignment from the previous financial institution must be processed by C&DS before the re-assignment can be processed.

(3) The assignment documentation that pertains to this type order should be acknowledged by the agency.

Agencies are to process the notice of assignment as follows:

- Examine the notice of assignment, instrument of assignment, and the assigned order(s) to determine that the assignment is in proper form, has been properly executed, and is one that the contractor is entitled to make under the contract/order.
- Query the Purchase Order System by using electronic access or by telephoning the Purchase Order Section at **504-255-4724** to determine current or prior payments against the assigned order(s).



Note

When the order has been submitted to NFC and before NFC releases the automatic payment to Treasury, the agency can request a payee name and address change. This request must be received by NFC at least 3 days before payment is scheduled to be released to Treasury. The change will be made by the C&DS only when accompanying documentation from the agency is legal and valid. If the check has not been issued by the Treasury Financial Center, a stop payment or a redirection of the payment to NFC's collections officer can be requested.

- Sign or acknowledge receipt to the assignor (contractor/vendor).
- Return three copies of the acknowledged assignment to the assignee (financing institution). If prior payments were made, this information is included in the acknowledgement letter to the financial organization. The liability for payments begins at this time and continues until the assignment obligation is satisfied or the release of assignment is received.

- Issue an amended AD-838 (with **DA** in Block 9, Sub), changing the payee name and address from the seller to the assignee (financing institution). Immediately forward the amended order to NFC so that future automatic payments will be sent to the assignee.
- When the assignment has been satisfied, prepare an amended AD-838 (with **DA** in Block 9, Sub), changing the payee name and address from the assignee (financing institution) to the seller. Immediately forward the amended order to NFC so that future automatic payments will be sent to the seller.

Type 43 Completion Instructions

This section provides specific instructions for completing an AD-838 and a Form AD-838-B, Invoice-Receipt Certificate. This section also includes additional information for Type 43 orders such as: procuring from an agency that bills through Treasury's Online Payment and Collection System (OPAC); multi-agency procurement; IRS notice of levy on wages, salary, and other income; and assignment of claims,

Type 43 Completion Instructions For An AD-838, Purchase Order

To procure goods or services with fixed or estimated price and quantity with anticipated one-time or recurring vendor payment, and to document the contractual purchase of goods and services, prepare a Type 43 AD-838 ([Figure 18](#)) using the guidelines described below. ([Figure 18](#) illustrates an example of a Type 43 order for recurring supplies delivered monthly.)

Agencies should use the Type 43 AD-838 to obligate funds for procuring items when billing will be received by NFC through OPAC (e.g., AD-672, Reimbursement or Advance of Funds Agreement; GSA-50, Requisition for Reproduction Services; GSA-2957, Reimbursable Work Authorization; SF-182, Request, Authorization, Agreement, and Certification of Training; SF-1, Printing And Binding Requisition; and GPO-2511, Print Order). (See [Procuring From Agencies That Bill Through OPAC](#) under **Additional Information For Type 43 Orders** for more information.)

A Type 43 AD-838 **should be** issued for the following special procurement situations:

- Delivery services (Airborne Express, DHL Airways, etc.)
- Contractual procuring of goods and services
- Recurring rentals with estimated cost
- Recurring rental nonconsolidation of items
- Estimated Price/quantity with an anticipated one-time payment
- Memo obligation (MQ)

(See the appropriate heading under [Additional Information For Type 43 Orders](#) for more information.)

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER																							
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO. XXXX		3 CONTRACT NUMBER GS009-12345		4 ORDER DATE 02/07/1997		5 SF-281 ER		6 UNIT CODE 07		7 FUND CODE TR		8 ORDER NUMBER 43-XXXX-7-58		9 SUB.											
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO. 34-5678900				9c FORM 1099				9d TAXPAYER'S IDENT. NO. 34-5678900															
<input checked="" type="checkbox"/> PURCHASE ORDER				<input type="checkbox"/> DELIVERY ORDER				<input checked="" type="checkbox"/> NO				<input type="checkbox"/> YES															
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)								11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance																			
Xerox Corp. 1100 Main St. VXP532123455 Sample, CA 93111-1234 805-967-1234								USDA - Forest Service 42 Aero Camino Anytown, CA 93114-1234 PHONE (A/C & No.) 123-456-7890																			
								Check One <input type="checkbox"/> FTS <input type="checkbox"/> COMM <input type="checkbox"/>																			
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT									
01				Copier Paper Style 18655 (Contract Item No. 22)				2654		01		9		EA		100.00		900 00									
02				Copier Paper Style 18654 (Contract Item No. 41)				2654		01		9		EA		100.00		900 00									
				3000 per month at \$50 per M to be delivered monthly beginning March 01 - November 31, 1997																							
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																											
21 F.O.B. POINT Destination						22 DISCOUNT AND/OR NET PAYMENT TERMS Net 30						22a TYPE COMMODITY/ PAYMENT CODE 0						25 Sub-Total 1800 00									
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 03/01/1997						24 SHIP VIA						26 ESTIMATED FREIGHT 0						27 TOTAL 1800 00									
28 ACC LINE		29 ACCOUNTING CLASSIFICATION																									
		A				B				C				D				E				30 DISTRIBUTION		31 AMOUNT			
2		5				10				5				3				4				1 4 1 2					
01																		X XXXX X									
31a ISSUING OFFICE NAME AND ADDRESS										31b ORDERED BY (Name and Title)																	
USDA - Forest Service 42 Aero Camino Anytown, CA 93114-1234										Mary Smith, Purchasing Agent																	
										31c COMMERCIAL PHONE (Area Code and Number)						31d FTS PHONE NO.											
										805-968-6666																	
										31e AUTHORIZED SIGNATURE																	
NFC																											
FORM AD-838-7 (Rev. 7/90)																											

Figure 18. Form AD-838 (Type 43) (Recurring Supplies To Be Delivered Monthly (sample))

A Type 43 AD-838 **should not** be issued for the following procurement situations:

- To obligate funds for GSA-billed commercial telephone accounts paid through the Federal Telephone System (FTSP). Use Form AD-955, GSA Telephone Transmittal, as described in the FTSP procedure (Title II, Chapter 4, Section 5).
- To establish a billed office address code (BOAC) master record of fund codes and accounting classifications to obligate funds for GSA Motor Pool transactions. Use Form AD-643, Transmittal - GSA Motor Pool, as described in the Motor Pool procedure (Title II, Chapter 4, Section 2).
- To requisition supplies and equipment from GSA, DOD, and the VA through FEDSTRIP. Use Form AD-633, Multiuse Standard Requisitioning/Issue Document, as described in the FEDSTRIP procedure (Title II, Chapter 4, Section 1).



Caution

(1) Do not issue a Type 43 to a foreign vendor who will bill in foreign currency. Foreign currency payments can only be processed through Type 40 and 41 purchase orders.

(2) To indicate a difference between the zero and alpha O used in alphanumeric blocks, slash the zeros and unslash alpha O's.

The following instructions correspond to the block numbers indicated on the AD-838. Complete the blocks as follows:

For Agency Use Only
Optional, alphanumeric
20 positions max.

Enter the requisitioner identification or other data required by your agency. This information will not print on the Seller's original.

① **Page No.**
Required, numeric

Enter the page number and total pages in the order (1 of 4, 2 of 4, etc.).

② **Receiving Office No.**
Required, alphanumeric
7 positions max.

Enter the last four positions of the GSA FEDSTRIP requisitioner number of the office responsible for answering inquiries concerning receipt of the order. **Do not** include the first two positions of that number.

- If two or more offices will be forwarding receiving reports directly to NFC for goods and services, enter **M** in the 5th position followed by two digits representing the number of receiving offices involved. For example, XXXXM02 indicates two receiving offices. The requisitioner office is used to coordinate receipt of the total shipment. Also, enter the multiple consignee names, addresses, and telephone numbers in Block 14, Description, as illustrated on [Figure 1](#).
- Do not enter the **M** when the procurement office desires to submit a consolidated receiving report to NFC and multiple offices are to receive the items.



Reminder

To promptly receive reporting that is generated by PRCH, it is important that the requisitioner office address be current. Changes must be submitted in writing by the agency contact point through GSA, Supply Management Division, Washington, DC 20406. Agencies can verify their address by

calling **703-305-7977**. (See **Reports**, [Action By Agencies Who Are Not Receiving Memorandums/Reports](#) under **Introduction** for details.)

③ **Contract Number**
*Required, alphanumeric
20 positions max.*

Enter a contract number or **OM** for open market. If a combination of both, the higher dollar amount governs.

④ **Order Date**
*Required, numeric
8 positions*

Enter the date (mm/dd/yyyy) the order was placed with the vendor and not the date the order is prepared. The current date must not be exceeded and must be in the fiscal year indicated in the order number.

⑤ **SF-281**
*Required, alphanumeric
2 positions*

Enter the appropriate SF-281 code ([Appendix D](#)) to indicate the method of procurement and type of business. (Data in this block permits NFC to collect the information needed to provide quarterly SF-281 reporting ([Exhibits 27](#) and [28](#)) of procurement activity for agencies to submit to FPDC.)



To identify the AD-838 as an OPAC obligation and to ensure that a check will not be issued enter **P** in Block 5.

⑥ **Unit Code**
*Conditional, numeric
2 positions*

Used by FS only. If not FS, skip this block. If FS, enter the code.

⑦ **Fund Code**
*Required, alphanumeric
2 positions*

Enter the NFC assigned fund code applicable for the accounting classification in Block 28.

⑧ **Order Number**
*Required, alphanumeric
12 positions max.*

Enter the purchase order number as follows:

- The 2-digit **purchase order type** beginning with 43.
- The 4-position **GSA FEDSTRIP requisitioner number** of the office responsible for placing the order.
- The 1-digit **fiscal year**.
- The agency-unique **control number** (5 positions max.) for the respective ordering office, usually beginning with number one for the first purchase order of the fiscal year. (It is not necessary to enter leading (left) zeros.)

⑨ **Sub.**
*Conditional, alphanumeric
2 positions max.*

Enter the 1- or 2-position amendment number or special condition code. (See [Appendix E](#) for amendment criteria and sub identifiers plus the following information.)



Obligations are not made until the AD 838-B, Invoice-Receipt Certification, is processed and only in the amount that applies to the payment.

- If the order should be obligated for specific dollar amounts in installments enter **M** plus the appropriate letter or number from the list below in the Sub block.

M2 = Obligate in 2 monthly installments

M3 = Obligate in 3 monthly installments

M4 = Obligate in 4 monthly installments
M5 = Obligate in 5 monthly installments
M6 = Obligate in 6 monthly installments
M7 = Obligate in 7 monthly installments
M8 = Obligate in 8 monthly installments
M9 = Obligate in 9 monthly installments
M0 = Obligate in 10 monthly installments
M1 = Obligate in 11 monthly installments
MM = Obligate in 12 monthly installments
 (October 31 is used as the beginning date
 for statement of obligations in the master)
MQ = Obligate quarterly (every 3 months)
MT = Obligate triannually (every 4 months)
MS = Obligate semiannually (every 6 months)

- To change the seller's name and address enter **Z** in the Block 9.
- To cancel the Memo (M) obligation feature enter **CM** in Block 9. Remaining dollars against the order will be obligated.
- To cancel enter **CN** in Block 9.
- To change other information, the order must be canceled (**CN**) and reissued using a new order number. Be sure to indicate the last authorized payment. (For example, Last Authorized Payment 10/31/97. The cancellation is effective 11/1/97.)

9a **Type Purchase**
 Required, alphanumeric
 1 position

Enter **X** in the purchase order box when the order involves a purchase order or enter **X** in the delivery order box when the purchase covers a delivery order.

- A **purchase order** is an offer by the Government to buy goods or services upon specified terms and conditions using simplified acquisition procedures.
- A **delivery order** is an order for goods or services placed against an established contract or with Government sources of supply.

9b **Seller's Ident. No.**
 Required, alphanumeric
 9 positions

Enter the vendor's TIN. Valid formats for the TIN are the EIN (formatted 00-0000000) or the SSN (formatted as 000-00-0000).

9c **Form 1099**
 Required, alphanumeric
 1 position

Enter **X** in the No box when IRS Form 1099 tax reporting is not required or enter **X** in the Yes box when the seller is subject to IRS Form 1099 tax reporting.



Caution

All nonforeign corporations are now subject to IRS 1099 tax reporting. (For details concerning the Form 1099 tax reporting process, see **Overview, Internal Revenue Service (IRS) Form 1099 Tax Reporting** under **Introduction.**)

9d **Taxpayer's Ident. No.**
 Required, numeric
 9 positions



Note

Enter the seller's TIN. Valid formats for the TIN are the EIN (formatted 00-0000000) or the SSN (formatted as 000-00-0000).

The TIN is required for DCIA compliance and 1099 tax reporting. However, foreign vendors and intergovernmental payments may not be

required to have a TIN. In these cases, leave this block blank and be sure to enter an appropriate foreign vendor or intergovernmental code in Block 5, SF-281. (See **Overview**, [Complying With The Debt Collection Improvement Act Of 1996](#) under **Introduction** for more information.)

**10 To: Seller's Name,
Address, City, State, ZIP
Code, and Phone No.)**
Required, alphanumeric

On the **first** line enter the seller/vendor name (*34 positions max.*). On the **second** line enter the street address or post office box number (*32 positions max.*). On the **third** line enter any additional address data needed (*24 positions max.*). If the vendor has been enrolled in Vendor Express, enter the 9-digit Vendor Express ID on this third line (for example, VXPXXXXXXXXX). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 position*), and the ZIP Code (*9 positions max.*). On the **fifth** line enter the area code and telephone number (*10 positions*) of the vendor.



Reminder

DCIA requires vendors to receive payments electronically unless the vendor certifies that an account at a financial institution is not available. When contracting for goods or services with a new vendor, the agency is required to obtain necessary banking information for enrollment in the Vendor Express program. Starting January 1, 1999, all Federal payments will be made by DD/EFT unless a waiver is approved. Agencies should refer to the Vendor Express procedure (Title II, Chapter 1, Section 2) for more information. Agencies can also contact the NFC Administrative Payments Branch, Miscellaneous Payments Section, at **504-255-4647** for information concerning Vendor Express and to obtain the Vendor Enrollment Package required for implementation. Vendors can contact this section by calling toll-free **1-800-421-0323**.

**11 Ship to: Consignee,
Address, ZIP Code, and
Place of Inspection and
Acceptance**
Required, alphanumeric

On the **first** line enter the name of the agency (*34 positions max.*) that will receive and inspect the order. On the **second** line enter the street address (*32 positions max.*) where delivery is required. On the **third** line enter any additional address data needed (*32 positions max.*). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*).

Phone (A/C & No.)
*Required, numeric
10 positions.*

Enter the telephone number of the consignee. If a commercial number, enter **X** in the Comm. box.

12 Line Item
*Required, numeric
2 positions*

Enter the line item number beginning with **01** through **99**.

13 Act Code
*Conditional, alphanumeric
1 position*

Enter the action code (**Appendix F**) that identifies amounts that are added to or deducted from the subtotal in Block 25. (For examples, see **Additional Information For Type 40 Orders**, [Entering Action Codes in Block 13](#) under **Type 40 Completion Instructions**.)

14 Description
Required, alphanumeric

Enter complete description of articles including stock or catalog number, or description of services. Also, if required, enter special information to the vendor.



- (15) **Budget Object**
Required, numeric
4 positions

If **M** was included in the 5th position of the Receiving Office No. (Block 2) enter the consignee names, addresses, and telephone numbers as illustrated on **Figure 1**.

Enter the object classification code that define items related to Block 14. (See Title V, Chapter 3, Budget Object Classification Codes, for a reference list of these codes.)

- (16) **Acc Line**
Required, alphanumeric
2 positions

Enter the accounting line number (Block 28) that the line item (Block 12) will be charged or enter **X** when the accounting will be distributed. Be sure to enter data in Blocks 28 and 29. If you entered **X**, include distribution in Block 30.



Do not exceed 99 accounting lines for each order.

- (17) **Quantity**
Required, numeric
8 positions max.

Enter the whole number (*5 positions max.*), a decimal, and then the decimal part (*3 positions max.*). (For example, a quantity of 50 1/4 dozens = **50.25**.)

- (18) **Unit Issue**
Required, alphanumeric
3 positions max.

Enter the unit of measurement (e.g., **DZ**, **EA**, **JOB**, **PK**, **LOT**, **YR**, etc.).

- (19) **Unit Price**
Required, numeric
10 positions max.

After ensuring that the unit price is current, enter the dollar portion of the unit price (*6 positions max.*), a decimal, and then the cents portion (*4 positions max.*).

- (20) **Amount**
Required, numeric
8 positions max.

Enter the amount of the extended value of the line item (quantity x the unit price). Round off to 2 decimal places.

- (20a) **This Purchase Order
Negotiated Pursuant to
Authority of 41 USC 252(c).**
No entry

Skip this block.



Blocks 21 through 31e. If the order contains more than one page, cut off these blocks on all pages except the last page. The data for these blocks should be indicated only on the last page of the order.

- (21) **F.O.B. Point**
Required, alphanumeric
11 positions max.

Enter shipping terms in accordance with the terms of the contract or purchase action. Enter **destination** when the vendor agrees to pay the transportation cost. Enter **origin** when the agency agrees to pay the transportation cost.)

- (22) **Discount And/Or Net
Payment Terms**
Required, alphanumeric

Enter the exact terms of the time discount using decimals instead of fractions and net payment terms (for example, **2% 10 days net 30**, or **1.5% 12 days net 20**, or if no time discount is offered, enter the payment terms (e.g., **net 20, 30, 45**, etc.).



When applicable, be sure the Type Commodity/Payment Code, Block 22a, agrees with the net payment terms in this block. Enter 7 for Code M, 10 for Codes D or P, 14 for Code C, or 30 and over for Code O.

(22a) Type Commodity/Payment Code

Required, alphanumeric
1 position



Caution

Enter *M, D, P, C, O*, or *X*. (See [Appendix G](#) for a description and the proper use of these codes.)

A separate order must be issued for each different code. Also, when applicable, be sure the net payment terms in Block 22 indicate 7 for Code M, 10 for Codes D or P, 14 for Code C or 30 and over for Code O.

(23) Deliver to F.O.B. On Or Before (Date)

Required, numeric
8 positions

Enter the date (mm/dd/yyyy) that the delivery is expected or the date of completion of services.

(24) Ship Via

Conditional, alphanumeric
22 positions max.

When Block 21 shows *origin*, enter method of shipment (e.g., *parcel post*, *air mail*, *motor freight*, or *railway express*). If Block 21 shows destination, skip this block.

(25) Sub-Total

Required, numeric
9 positions max.



Note

Enter the cumulative total of all line items for the entire order.

This is the total that appears on the Seller's Original.

(26) Estimated Freight

Conditional, numeric
7 positions max.



Caution

Enter the estimated freight charge when the agency agrees to pay the transportation charge. If no charge is payable, enter *O* or *none*.

(1) Do not charge freight to a line item through the use of Action Code F (freight) in Block 13 and show an amount in estimated freight (Block 26) on the same order (See [Figure 7](#)).

(2) In accordance with FAR, if the transportation charge will be in excess of \$100, the vendor should be advised that a receipted freight or waybill is required prior to payment. Also, in accordance with a comptroller general decision, a \$15 freight tolerance in addition to any freight amount indicated on the order can be paid. The NFC will prorate the estimated freight amount over the accounting classification and will include this in the obligation data that is reported back to the agency accounting stations. Postage and handling charges should be considered freight.

(27) Total

Required, numeric
9 positions max.

Enter the total for all items (sub-total plus estimated freight) on the last page of the order.

Tolerance Criteria. To avoid payment delays to vendors and costly and time-consuming telephone calls made by NFC to agencies, the following tolerance criteria was developed to pay Type 43 purchase order invoices that exceed the total value of the order:

- Orders that indicate a total value of \$5,000 or less are paid in an amount not to exceed 25 percent of the line items (excluding freight), not exceeding \$625 of the order value.
- Orders that are greater than a total value of \$5,000 will be paid in an amount not to exceed \$1,000 of the order value (excluding freight).

- NFC will contact the procurement office to request an amendment to obligate additional funds when the amount on the AD 838–B exceeds the allowed tolerance.



Code **TT** in Block 9 **cannot be used for Type 43 orders** because it directs NFC to apply to the order value a lower tolerance amount.

- Acc Line**
(28) Required, numeric
2 positions

Enter the accounting line number (Block 16) that corresponds to the accounting line (Block 28). If **X** is indicated in Block 16, at least 2 lines of accounting data must be entered. Each accounting line number is consecutively numbered and unique ranging from 01 through 99.

- Accounting Classification**
(29) Required, alphanumeric
27 positions max.

Enter the agency-assigned management or accounting classification code. Each accounting line recorded in Block 16 must be supported by an accounting classification code in this block.



The appropriate agency-assigned accounting classification should be for the new fiscal year when the order is placed within 30 days prior to the new fiscal year. The period of delivery governs the applicable year.

- Distribution**
(30) Conditional, numeric
2 positions

Enter the percentage (whole numbers), of distribution for each line of accounting. The percentages must total 100 percent. When an **X** is indicated in Block 16, two or more lines of accounting must be shown in Blocks 28 and 29. (This block is also used to identify multi-agency procurement. (See [Figure 12.](#))

- Amount**
(31) Conditional, numeric
9 positions max.

Enter amount applicable to each accounting line. The data shown in this block is for agency or NFC convenience in checking accounting line charges.

- Issuing Office Name and Address**
(31a) Required, alphanumeric

On the **first** line enter the issuing office name (34 positions max.). On the **second** line enter the street address or post office box number (31 positions max.). On the **third** line enter any additional address data needed (32 positions max.). On the **fourth** line enter the name of the city (20 positions max.), the state abbreviation (2 positions), and the ZIP Code (9 positions max.).

- Ordered By (Name and Title)**
(31b) Required, alphanumeric



Enter the name (25 positions max.) and title (25 positions max.) of the procurement official authorized to sign the order.

Only individuals with properly delegated procurement authority should sign the order. If required, NFC will contact this person about the order.

- Commercial Phone (Area Code and Number)**
(31c) Required, numeric
10 positions

Enter the telephone number of the official named in Block 31b. This information will be used by the vendor and NFC.

- FTS Phone No.**
(31d) No entry

Skip this block.



Change the billing address on the seller's original from NFC to your agency office as described under Block 31e, below.

Authorized Signature
31e Required



The signature of the official named in Block 31b.

Except for OPAC transactions, which are identified with a **P** in Block 5, SF-281, invoices for Type 43 orders must be mailed by the vendor to agency offices and not to NFC. To ensure that the vendor mails the invoice directly to the agency, the procuring officer must verify that the NFC billing address on the seller's original part of the order was crossed out and replaced with the agency address (See [Figure 19](#)). The invoice will then go directly to the agency office responsible for preparing the AD 838-B, Invoice-Certification. This action will help to ensure that payments are made on time to avoid interest penalties. Always instruct vendors to clearly indicate their remittance address on their invoice so that the payment is not misdirected.

Mailing Instructions. After ensuring that the billing instructions are changed on the Seller's original to that of the agency, forward it to the seller. If you are not a user of the PC-PRCH, PRCHENT, or an agency-certified purchase order electronic system, forward the NFC original part of the AD-838 to:

National Finance Center, USDA
P.O. Box 60000
New Orleans, LA 70160-0001

UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER						THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, AND PAPERS RELATING TO THIS ORDER	
PAGE NO. 1	OF 1	CONTRACT NUMBER GS009-12345	ORDER DATE 02/07/1997	ORDER NUMBER 43-XXXX-7-58	SUB		
<input checked="" type="checkbox"/> TYPE PURCHASE (Check one) PURCHASE ORDER (See Reverse)		<input type="checkbox"/> DELIVERY ORDER	SELLER'S IDENT. NO. 34-5678900	FORM 1099 <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES		TAXPAYER'S IDENT. NO. 34-5678900	
TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) Xerox Corp. 1100 Main St. VXP532145222 Sample, CA 93111-1234 805-967-1234			SHIP TO ▶	Consignee, Address, Zip Code, and Place of Inspection and Acceptance USDA - Forest Service 42 Aero Camino Anytown, CA 93114-1234			
LINE ITEM	ACT CODE	DESCRIPTION	S E L L E R , S O R I G I N A L	QUANTITY	UNIT ISSUE	UNIT PRICE	AMOUNT
01		Copier Paper Style 18655 (Contract Item No. 22)		9	EA	100.00	900 00
02		Copier Paper Style 18654 (Contract Item No. 41) 3000 per month at \$50 per M to be delivered monthly beginning March 01 - November 31, 1997		9	EA	100.00	900 00
THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().							
F.O.B. POINT		DISCOUNT AND/OR NET PAYMENT TERMS				TOTAL ▶	1800 00
Destination		Net 30		0			
DELIVER TO F.O.B. POINT ON OR BEFORE: (Date.)		SHIP VIA		0			
03/03/1997				0			
DO NOT SHIP ORDER TO THIS ADDRESS (Ship to Consignee Address Above)		BILLING INSTRUCTIONS: No Billing Will Be Submitted In Advance Of Shipment Furnish Invoice With Our ORDER NUMBER To: U.S. DEPARTMENT OF AGRICULTURE USDA - Forest Service National Finance Center 42 Aero Camino P.O. Box 60076 Anytown, CA 93114-1234 New Orleans, Louisiana 70160					
FAILURE TO SHOW OUR PURCHASE ORDER NUMBER ON INVOICE WILL DELAY PAYMENT FREIGHT CHARGE OVER \$100 REQUIRES BILL OF LADING IF AVAILABLE, INCLUDE YOUR NINE POSITION DUNS NUMBER ON EACH INVOICE							
ISSUING OFFICE NAME AND ADDRESS USDA - Forest Service 42 Aero Camino Anytown, CA 93114-1234				ORDERED BY (Name and Title.) Mary Smith, Purchasing Agent COMMERCIAL PHONE (Area Code and Number.) 805-968-6666 AUTHORIZED SIGNATURE			
SELLER'S ORIGINAL							

FORM AD-838-7 (Rev. 7/90)

Figure 19. Form AD-838 (Seller's Original) (Change Billing Instructions On Seller's Original) (sample)

Additional Information For Type 43 Orders

This section provides instructions and examples of OPAC billing; procuring delivery services; contractual procuring of goods and services; recurring rentals, estimated price/quantity for a one-time payment; memo obligations; multi-agency procurement; IRS notice of levy of wages, salary, or other income; and assignment of claims.

Procuring From Agencies That Bill Through OPAC

Examples of when agencies should use the AD-838 to obligate funds for procuring items when billing will be received by NFC through OPAC are as follows:

- AD-672, Reimbursement or Advance of Funds Agreement
- GSA-50, Requisition for Reproduction Services
- GSA-2957, Reimbursable Work Authorization
- SF-182, Request, Authorization, Agreement, and Certification of Training
- SF-1, Printing And Binding Requisition
- GPO-2511, Print Order



Reminder

Using the Type 43 AD-838 eliminates the need to send the forms listed above to NFC. If both the miscellaneous charge form and the Type 43 AD-838 are sent to NFC, a double obligation will occur.

Completing An AD-838 For OPAC Transactions. Agencies will:

- Prepare a Type 43 AD-838 using the SF-281 Code **P** in Block 5. (This code identifies the AD-838 as an OPAC obligation and ensures that a check will not be issued.)
- Establish the obligation for the procuring agency, by electronically transmitting the purchase order data or mailing the NFC part of the AD-838 to NFC.
- Submit the seller's original part of the AD-838 to the OPAC billing agency.



Note

Do not change the NFC billing address referenced on the seller's original.

- Retain one copy of the AD-838 for your records and discard the receipt copies (receiving reports are not required for Type 43 OPAC orders).
- Request the billing agency to show the purchase order number on the OPAC billing statement submitted to NFC.
- Negotiate with the OPAC billing agency regarding discrepancies with the amount billed and the value received for a credit on the next billing cycle. (The NFC Purchase Order Section is available to assist procurement offices in resolving discrepancies by providing information when required. If billing is required for goods or services through OPAC, refer to Title III, Chapter 4, Administrative Billings and Collections.)

NFC will match the OPAC billing statement with the previously recorded AD-838 and charge the agency's account according to the accounting classification code established on the AD-838.

NFC OPAC Billing Requirements. Most Federal intragovernmental billings are being processed through OPAC. To avoid delayed processing and reporting of OPAC charges, OPAC bills and supporting documents submitted to NFC must contain adequate agency accounting data so that the OPAC bills can be processed timely.

As the accounting office of the procuring agency, NFC (Agency Location Code 12-40-0001) receives OPAC bills and applies the charges to the agency designated accounting classification that is indicated on the backup documentation forwarded to NFC with the OPAC Bill.

To improve the efficiency and timeliness of processing and reporting OPAC charges, agencies should provide vendor agencies with information needed to process OPAC bills and inform them that the required information must be included with the OPAC bill. A list of the minimum information required by NFC for processing OPAC bills are as follows:



1. For purchase order charges, the Type 43 purchase order number must be included on the bill next to the related amounts for each purchase order.

Type 43 purchase order charges should, whenever possible, be billed on separate OPAC bills. Also, whenever possible, charges under the Type 43 purchase order should not be billed with other miscellaneous charges as described in Item 2, below.

2. If a Type 43 purchase order was not issued for the billed amount (e.g., a miscellaneous charge, Forms AD-672, GSA-50, GSA-2957, or SF-182), the following accounting data must be provided on the document submitted to the vendor agency who will be billing through OPAC:

- Accounting classification code (if FS, the management code)
- Fund code (if FS, the region and unit codes (e.g., TP-02 or 04-02))
- Accounting station code (Natural Resources Conservation Service only)
- Budget object classification code (if not provided, 2510 will be used)
- Procuring agency name and telephone number

If the above information is not available, the billing agency (vendor agency) must obtain the accounting data from the procuring agency (NFC-serviced agency) prior to billing through OPAC.

3. For OPM and GSA training charges, a copy of the SF-182 must be forwarded to NFC.
4. For Government Printing Office (GPO) charges, the following information is required on the Forms SF-1, Printing and Binding Requisition, or GPO Form 2511, Print Order:
 - Requisition Number
 - Date
 - Billing Address Code (BAC)
 - Accounting data described in Item 2, above, in the Appropriation Chargeable block; however, if a budget object code is not shown, 2410 will be used

- Title
 - Estimated amount
 - Description
 - Procurement agency name and telephone number
5. All OPAC supporting documentation forwarded to NFC must include:
- OPAC bill document reference number
 - Billing office disbursing office (D.O.) symbol
 - Accounting data described in Item 2, above
6. Label supporting documentation “OPAC DATA” and forward to:

National Finance Center, USDA
P.O. Box 60963
New Orleans, LA 70160-0963



To avoid a chargeback, supporting documentation must be received at NFC within 5 calendar days of the OPAC bill date.

7. If a credit is issued to correct a prior billing, the OPAC bill document reference number and OPAC bill date being reversed must be indicated in the Description field. If the credit is for a purchase order, also indicate the purchase order number.

Procuring USDA agencies in the Washington, D.C., area must provide the SF-1 or GPO Form 2511 to the USDA, Office of Communications (OC).

Other procuring agencies must forward a copy of the SF-1 or GPO Form 2511 to NFC with the information listed above.



Failure to comply with the above requirements can result in a chargeback of the OPAC bill. To assist agencies in complying with this request, an NFC OPAC Billing Requirements – Quick Reference List ([Appendix H](#)) was developed. This list provides the minimum information required by NFC for processing OPAC bills. A similar list is also published on the Government Online Accounting Link System (GOALS).

Delivery Services (Airborne Express, DHL Airways, etc.)

Agencies should use the Type 43 purchase order for **limited** delivery service. The Type 43 order provides the agency with the capability to receipt for a single delivery invoice.



If the delivery service will be used **frequently** (daily or weekly), the Type 45 purchase order should be issued. The Type 45 order provides the agency with the capability to receipt for multiple delivery invoices.

In preparing the Type 43 order, agencies should always remember to include the following information on the order:

- Record the Shipper’s Account Number (if furnished to the agency when an agency account is established with the vendor) on the AD-838 in Block 14, Description.

- Change the billing address on the seller's original part of the order from NFC to the agency office.
- Include the purchase order number in the Billing Reference Block of the vendor's delivery receipt and the shipper's account number (when known) so that they are available to the vendor for billing purposes.
- After receipt of the invoice from the vendor, include the delivery number in Block 5, Vendor Invoice Number, on the AD 838B for Type 43 orders. After payment, this delivery number will appear on the Notice to Check Recipient so that the vendor can properly credit the agency account.
- After completion of all data on the AD 838-B, attach only one invoice to one AD 838-B securely to the back of the form and mail to NFC for payment processing.

Contractual Procuring Of Goods And Services

The Type 43 order is used for the following types of contractual procuring:

- Contractual services performed by other Federal agencies.
- Contractual services for flying contracts, research, spraying, and ADP online data retrieval services.
- Agreements for cooperating state agencies, research, and cooperator projects.

Contracts that extend for more than one fiscal year should be prepared on a Type 43 AD-838 by line item and accounting code for the first fiscal year of obligation. Subsequent years are to be obligated against the accounting in the fiscal year to which the charge will be incurred. This is accomplished by amending the order to add additional line items with the current fiscal year of accounting. The AD 838-B and invoices for either year can then be processed for payment by referring to the appropriate line item to be charged.

Recurring Rentals With Estimated Cost

[Figure 20](#) illustrates a description of the details of the order in Block 14. In this example, cost is based on the number of copies used during the billing period. The rental of copiers is based on a monthly cost for a period of 6 months.

Recurring Rental Nonconsolidation Of Items

[Figure 21](#) illustrates Line Item 03 as being charged to different accounting from other line items. Consolidation of the total order into one line item is prevented. Services ordered must have an assigned line item number and must be receipted by line item numbers on the AD 838-B.

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01		Rental of the following copiers from 10/1/96 – 3/31/97: Xerox 8200 C/D, Serial # 969–029	2366	01	6	MO	3000.00	18000	00
02		Xerox 5000 C/D, Serial #888–123 Minimum monthly rental including first 9100 copies plus \$.008 for additional copies	2366		6	MO	<u>ESTIMATE</u> 1413.00	8478	00
03		Xerox 8000 C/D, Serial # 944–126	2366		6	MO	1300.00	7800	00
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT Destination		22 DISCOUNT AND/OR NET PAYMENT TERMS Net 30			22a TYPE COMMODITY/ PAYMENT CODE ▶ 0		Sub-Total ▶	25	
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 03/31/1997		24 SHIP VIA			26 ESTIMATED FREIGHT 0		TOTAL ▶	27	
								34278	00
								34278	00

Figure 20. Recurring Rentals With Estimated Cost (sample)

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01		Maint. of Govt.-owned Computer Equipment 10/01/96-9/30/97							
		Model 70123456 Display Processor	2532	01	12	MO	50.00	600	00
02		Model 34589N34 Printer	2532	01	12	MO	50.00	600	00
03		Model 3489S3 Monitor	2532	02	12	MO	400.00	4800	00
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT Destination			22 DISCOUNT AND/OR NET PAYMENT TERMS Net 30		22a TYPE COMMODITY/ PAYMENT CODE ▶ 0		Sub-Total ▶	25	
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 09/30/1997			24 SHIP VIA		26 ESTIMATED FREIGHT 0		TOTAL ▶	27	
								6000	00
								6000	00
ACC LINE	A	B	C	D	E		DISTRIBUTION	AMOUNT	
01	5	10	5	3	4	1 X 4 1 X 2	2		
02						X XXXX X XXXX			

Figure 21. Recurring Rental Nonconsolidation Of Items (sample)

Estimated Price/Quantity With An Anticipated One-Time Payment

Figure 22 illustrates *N* (nonmerchandise cost) which is not associated with a line item. Its own budget object can be carried in Block 15 and its own accounting line in Block 16.

12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01		Rental of Touchmatic Postage Meters							
			ESTIMATED						
		Model 5313	2367	01	4	DA	50.00	200	00
02		Model 5706	2367	01	4	DA	50.00	200	00
	N	One-time base charge	2350	02	1	DA	75.00	75	00
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)()									
21 F.O.B. POINT Destination			22 DISCOUNT AND/OR NET PAYMENT TERMS Net 30			22a TYPE COMMODITY/ PAYMENT CODE		25	
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 04/30/1997			24 SHIP VIA			26 ESTIMATED FREIGHT		27	
								Sub-Total	475 00
								TOTAL	475 00
ACC LINE	A	B	C		D	E		DISTRIBUTION	AMOUNT
01	5	10	5	3	4	1	4	2	
02						X	XXXX	X	
						X	XXXX	X	

Figure 22. Estimated Price/Quantity With An Anticipated One-Time Payment (sample)

Memo Obligation (MQ)

Figure 23 illustrates the use of **MQ** in Block 9 to obligate funds quarterly. The order date is the date the order is placed. The fiscal year in the order number relates to the year of the accounting that is shown in Block 29.

FOR AGENCY USE ONLY			UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER						
1 PAGE NO. 1 OF 1	2 RECEIVING OFFICE NO. XXXX	3 CONTRACT NUMBER OM	4 ORDER DATE 11/01/1996	5 SF-281 ER	6 UNIT CODE 05	7 FUND CODE TO	8 ORDER NUMBER 43-XXXX-7-10	9 SUB. MQ	
9a TYPE PURCHASE (Check one) <input checked="" type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER			9b SELLER'S IDENT. NO. 17-8882133		9c FORM 1099 <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES		9d TAXPAYER'S IDENT. NO. 17-8882133		
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) XYZ, Corp.. 1423 Seminole St. Anytown, OH 44103-1234 216-391-1200				11 SHIP TO USDA - Forest Service Coronado National Forest 301 W. Congress Anytown, AZ 85701-1231 PHONE (A/C & No.) 123-621-1234					
12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01		Model 16 Cleveland Timer Deliver 2 each on 01-31-97, 02-28-97, 03-31-97, 04-30-97	3122	01	8	EA	300.00	2400 00	
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)()									
21 F.O.B. POINT Destination			22 DISCOUNT AND/OR NET PAYMENT TERMS Net 30			22a TYPE COMMODITY/ PAYMENT CODE		25	
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 01/31/1997			24 SHIP VIA			26 ESTIMATED FREIGHT		27	
								Sub-Total	
								TOTAL	
28 ACC LINE	29 ACCOUNTING CLASSIFICATION		30		31				
01	A	B	C	D	E	DISTRIBUTION	AMOUNT		
	5	10	5	3	4	1	4		
						X	XXXX		
						X			

Figure 23. Memo Obligation (MQ) (sample)

Multi-Agency Procurement (Type 43)

To prorate the cost of an item to one or more agencies ([Figure 12](#)), the procuring agency:

- Enter the assigned fund code of the office preparing the form in Block 7, Fund Code.
- Records that item as a separate entry for each agency sharing the cost of the order and enters the exact amount assessed to each agency in Block 20, Amount.
- Identifies each agency sharing the cost by entering the applicable accounting line in Block 28, accounting classification in Block 29, and agency code enclosed by parenthesis in Distribution, Block 30.



Note

Do not enter the agency code of the procuring agency or the accounting distribution percentage in Block 30.

IRS Notice Of Levy On Wages, Salary, And Other Income (Forms 668–W(c), 668–A, et al.) (Type 43)

Upon receipt of the notice of levy from IRS, the agency should immediately telephone NFC at **504–255–5464** to notify NFC’s certifying officer of the pending notice of levy.



Note

If the notice of levy is sent directly to NFC by IRS, NFC will return it to IRS for submission to the applicable agency.

Agencies should process the notice of levy as follows:

- Record the purchase order number(s) on the notice of levy.
- Forward the notice of levy to NFC by memorandum for processing. The memorandum should include the name and address of the contractor/vendor and the purchase order number(s). Address the memorandum to:

National Finance Center, USDA
Certification and Disbursement Section
P.O. Box 60963
New Orleans, LA 70160–0963

Retain a copy of the notice of levy in a pending file as a reminder to notify NFC of the purchase order number if additional procurements are made from that contractor/vendor.

Assignment Of Claims (Type 43)

An assignment of claims for money due or to become due under a purchase order can only be received from a bank, trust company, or other financing institution, including any Federal lending agency.

The assignment of claims documentation should consist of four original signed copies of the notice, together with one true copy of the instrument of assignment.

Upon receipt of a notice of assignment, the agency will immediately telephone NFC at **504-255-5464** to notify the certifying officer of the pending assignment.

When the assignment obligation is satisfied, the release of assignment must be received by NFC from the financing institution so that the notice of assignment record can be removed from the assigned purchase order(s). Further payments will then be sent to the payee that was initially shown on the order.



Caution

(1) C&DS will not accept photostatic (including faxed) copies of this documentation. Only originals or photostatic copies that have the original stamp of a certified true duplicate will be processed.

(2) If a change of assignment to another financial institution is necessary, a release of assignment from the previous financial institution must be processed by C&DS before the re-assignment can be processed.

(3) Since liability for payments begins with receipt of acknowledgement, agency procurement officials should not sign or acknowledge the assignment documentation that pertains to Type 40, 41, 43, 45, and 60 orders. The assigned documentation for these orders will be examined and acknowledged by NFC.

Agencies are to process the notice of assignment as follows:

- Record the purchase order number(s) on the assignment.
- Retain one copy of the assignment and forward the other three copies and the notarized copy to the address below for review and acknowledgement by NFC's certifying officer:

National Finance Center, USDA
Certification and Disbursement Section
P.O. Box 61700
New Orleans, LA 70160-0963

Type 43 Completion Instructions For An AD 838-B, Invoice-Receipt Certification

When the vendor's invoice is received for a Type 43 purchase order, prepare the AD 838-B ([Figure 24](#)) according to the guidelines below.

The following instructions correspond to the block numbers indicated on the AD 838-B. Complete the blocks as follows:

①

Purchase Order Number

*Required, alphanumeric
12 positions max.*

Enter the purchase order number beginning with 43 as indicated in Block 8 on the corresponding AD-838.

INVOICE – RECEIPT CERTIFICATION (See Completion Instructions on Reverse)							
1. PURCHASE ORDER NUMBER 43 XXXX-7-10		2. TYPE SHIPMENT (Check One) <input checked="" type="checkbox"/> PARTIAL <input type="checkbox"/> COMPLETE		3. DATE GOODS RECEIVED/ ACCEPTED/SERVICE PERIOD END DATE Month Day Year 04 01 1997		4. DATE INVOICE RECEIVED Month Day Year 04 01 1997	
5. VENDOR PAYMENT REFERENCE NUMBER 23480		6. VENDOR NAME XYZ, Corp.					
I certify the items billed were received, inspected, and accepted as complying with this order except as noted below. Bill amounts are to be charged to corresponding line items on purchase order as follows:							
7 P.O. LINE ITEM NO.	8 DESCRIPTION	9 QUANTITY/ UNIT ISSUE	10 DOLLAR AMOUNT	7 P.O. LINE ITEM NO.	8 DESCRIPTION	9 QUANTITY UNIT ISSUE	10 DOLLAR AMOUNT
01	Model 16 Cleveland Timer	2	600.00				
					+ Non-Merchandise Charge		11
					+ Freight		12
					+ Federal Excise Tax		13
					+ State or Local Tax		14
					Sub-Total		15 600.00
					– Trade-in		16
					– Discount		17
					– Credit		18
					TOTAL	\$	19 600.00
20. RECEIPT EXCEPTION							
25. Attach invoice and mail to: (Use of Window Envelope is Optional)					AUTHORIZED OFFICIAL		
<div style="border: 1px solid black; padding: 10px; width: fit-content; margin: 0 auto;"> National Finance Center, USDA P.O. Box 60075 New Orleans, LA 70160-001 </div>					21. ADDRESS USDA – Forest Service Coronado National Forest 301 W. Congress Anytown, AZ 85701 – 1231		
					22. SIGNATURE		
					23. DATE 04/01/1997	24. PHONE (Area Code and Number) 123-621-1234	FTS COMM
FORM AD 838 – B USDA (Revised 2/91)							

Figure 24. Form AD-838-B (sample)

Type Shipment

② Conditional, alphanumeric
1 position

Enter an **X** in the Partial or Complete box.

- A partial shipment is used by a single receiving office to record receipt of less than the entire order (including amendments). A multiple receiving office must *always* record receipt of goods or services by following the partial shipment instructions.
- A complete shipment is used by a single receiving office to record receipt of the total order or the last or remainder of the order when partials were previously reported. Complete is *not* used to record receipt of a shipment considered complete and received by multiple receiving offices.

Date Goods Received/Accepted/Service Period End Date

③ Required, numeric
8 positions



Note

Enter the date (mm/dd/yyyy) the goods or services were received, inspected, and accepted. If you are receipting for services, enter the ending day of the covered period and not the beginning day of the service.

This date must not be greater than the current date or prior to the order date. It must be the actual date of receipt/acceptance. If the receipt/acceptance date is not accurate, interest penalties in accordance with the Prompt Payment Act may be incurred.

Date Invoice Received

④ Required, numeric
8 positions

Enter the date (mm/dd/yyyy) the invoice was received. If the invoice received date is not accurate, interest penalties in accordance with the Prompt Payment Act may be incurred.

Vendor Payment Reference Number

⑤ Required, alphanumeric
20 positions max.



Note

Enter the vendor's invoice number. If there is no invoice number, enter **none**.

A separate AD 838-B is needed for each invoice.

Vendor Name

⑥ Required, alphanumeric
32 positions

Enter the name of the vendor (payee) to whom the payment will be made.

P.O. Line Item No.

⑦ Required, numeric
2 positions



Note

Enter the line item number (01–99) indicated in Block 12 on the corresponding AD–838.

In identifying the items received and billed by the vendor, ensure that the line item number on the order and the line item entered in this block matches. This must be a perfect match.

Description



⑧ Required, alphanumeric

Enter a description of the item.

Quantity/Unit Issue

⑨ Required, numeric
8 positions max.

Enter the quantity and the unit of issue for each line item received. Count items received in the same unit of issue that is shown on the order. If the unit of issue received is different than the unit of issue on the AD–838, convert quantity received to unit of issue indicated on the order. (For example, when 3 dozen plants were ordered but only 6 were received, enter .5 in this block.)

- Dollar Amount**
 10 Required, numeric
 8 positions
- Enter the dollar amount to be paid for each line item received.
- +Non-Merchandise Charge**
 11 Conditional, numeric
 8 positions max.
- Enter payable charges indicated on the invoice only when action code *N* is designated for the line item in Block 13 on the AD-838. If not payable, enter *0* and explain in Block 20. If non-merchandise is not an obligation, net the amount into the line item amounts.
- 
 Caution
- Do not enter the seller's total of line items here as this will cause the AD 838-B to reject.
- +Freight**
 12 Conditional, numeric
 8 positions max.
- Enter the total amount charged for freight if authorized in Blocks 13 or 21 on the AD-838. If freight is not authorized, enter *0* and explain in Block 20.
- +Federal Excise Tax**
 13 Conditional, numeric
 8 positions max.
- Enter the total Federal Excise Tax as indicated on the invoice and when Action Code E (Federal Excise Tax) is indicated in Block 13 on the AD-838. If tax is charged but the Government is exempt, enter *0* and explain in Block 20.
- +State or Local Tax**
 14 Conditional, numeric
 8 positions max.
- Enter the state or local tax as indicated on the invoice. If exempt, enter *0* and explain in Block 20.
- Sub-Total**
 15 Conditional, numeric
 9 positions max.
- Enter the sum of all the dollar amount columns up to this point (Blocks 10, 11, 12, 13, and 14).
- Trade-In**
 16 Conditional, numeric
 8 positions max.
- Enter the total amount allowed on the invoice for trade-in only when Action Code T (Trade-in) is indicated in Block 13 on the AD-838 for the line item. If trade-in is indicated on the invoice and not indicated on the AD-838, prorate the trade-in into the line item amounts.
- Discount**
 17 Conditional, numeric
 8 positions max.
- Enter the total amount allowed on the invoice for a line or volume discount only when Action Code V (Volume Discount) and/or D (Line Item Discount) is indicated in Block 13 on the AD-838. If shown on the invoice and not shown on the AD-838, prorate the discount into the line item amounts.
- 
 Caution
- Do not enter time discounts here. Time discounts are computed by NFC when the payment is processed in PRCH.
- Credit**
 18 Conditional, numeric
 8 positions max.
- Enter the total credit shown on the invoice only when Action Code C (Credit) is indicated in Block 13 on the AD-838. If indicated on the invoice and not on the order, prorate the credit into the line item amounts.
- Do not show a credit for returned goods or services in this block. A credit memorandum received in this instance is deducted from the invoice total and prorated into the line item amounts.
 - If the AD-838 has multiple line items and the invoice is billing only some of them, the AD 838-B should indicate the specific line item numbers being charged and the respective amounts being charged.

Enter an *N* for nonmerchandise, *T* for trade-in, *D* for line item discount, *E* for Federal excise tax, or *C* for credit, amount on this form only if there is a corresponding amount on the related AD-838. If there is no corresponding cost on the AD-838, prorate these amounts into the line item dollar amounts in Block 10 on this form.

- Total**
(19) *Required, numeric
9 positions max.*

Subtract Blocks 16, 17, and 18 from Block 15, Sub-Total. Enter this amount in Block 19. This is the total amount to be paid to the vendor. If this amount is different than the amount indicated on the AD-838, explain in Block 20.

- Receipt Exception**
(20) *Conditional, alphanumeric*

Enter comments or receipt discrepancy related to the items billed by the vendor on the invoice. The explanation should be brief and descriptive. It should not be indicated on the invoice. This information may be needed for the preparation of the Notice To Check Recipient when payment made is less than the billed amount.

- Authorized Official Address**
(21) *Required, alphanumeric*

Enter the complete address of the official certifying receipt, inspection, and acceptance of the goods or services.

- Signature**
(22) *Required*

The signature of the official certifying receipt of the goods or services.

- Date**
(23) *Required, numeric
8 positions*

Enter date (mm/dd/yyyy) of signature.

- Phone (Area Code and Number)**
(24) *Required, numeric
10 positions*

Enter the telephone number of the official whose signature appears in Block 22. This individual will be contacted when receiving report clarification is necessary.

- Attach Invoice And Mail To:**
(25) *Required*

NFC's address is preprinted in this block.

Mailing Instructions. Staple a single invoice (be sure the staple does not cover the remittance address shown on the invoice) to the back of this form. Cross out the agency address that may appear on the invoice so that a payment check will not be inadvertently directed to the agency. Mail the documents to the preprinted address on the form or as follows:

National Finance Center, USDA
P.O. Box 60075
New Orleans, LA 70160-0001



Caution

The Vendor Express ID number is not entered on this form; however, this information must be entered on the second line of the remittance address on the **invoice** prior to forwarding this form and invoice to NFC. A proper invoice is discussed in **Overview**, [Prompt Payment of Purchase Orders](#) under **Introduction**.

Type 45 Completion Instructions

This section provides specific instructions for completing an AD-838 and Form AD-838D, BPA-Invoice-Receipt Certificate. This section also includes additional information for Type 45 orders such as blanket purchase agreements (BPA); multi-agency procurement; IRS notice of levy on wages, salary, and other income; and assignment of claims.

Type 45 Completion Instructions For An AD-838, Purchase Order

A Blanket Purchase Agreement (BPA) is used to establish an informal agreement between the agency and vendor. Funds are not obligated until the AD-838D and invoice are processed for payment. To establish a BPA, prepare a Type 45 order ([Figures 25](#), [26](#), [27](#), or [28](#)) using the guidelines listed below.



Be sure to establish a billing period and instruct the vendor to submit a summary invoice at least monthly for all deliveries made during the billing period or upon expiration of the BPA, whichever occurs first.

Agencies should use the Type 45 purchase order for frequently used service (for example, Airborne Express and DHL Airways, Inc.). The Type 45 order provides the agency with the capability to receipt for multiple delivery invoices. (Use the Type 43 order when the service is used on a limited basis. The Type 43 order provides the agency with the capability to receipt for a single delivery invoice.)



(1) Do not issue a Type 45 to a foreign vendor who will bill in foreign currency. Foreign currency payments can only be processed through Type 40 and 41 purchase orders.

(2) To indicate a difference between the zero and alpha O used in alphanumeric fields, slash the zeros and unslash alpha O's.

The following instructions correspond to the block numbers on the AD-838. Complete the blocks as follows:

For Agency Use Only
*Optional, alphanumeric
20 positions max.*

Enter the requisitioner identification or other data required by your agency. This information will not print on the Seller's original.

① **Page No.**
Optional, numeric

Enter page number and total pages of the order (1 of 4, 2 of 4, etc.).

② **Receiving Office No.**
*Required, alphanumeric
7 positions max.*

Enter the last four positions of the GSA FEDSTRIP requisitioner number of the office responsible for answering inquiries concerning receipt of the order. **Do not** include the first two positions of that number.

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER																			
1 PAGE NO. OF		2 RECEIVING OFFICE NO. XXXX		3 CONTRACT NUMBER		4 ORDER DATE 01/17/1997		5 SF-281 KI		6 UNIT CODE		7 FUND CODE NC		8 ORDER NUMBER 45-XXXX-7-12		9 SUB.							
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.											
<input type="checkbox"/> PURCHASE ORDER		<input type="checkbox"/> DELIVERY ORDER		15-1567890				<input type="checkbox"/> NO		<input checked="" type="checkbox"/> YES		15-1567890											
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)								11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance															
M&M Systems 256 North Ave. VXP312367889 Anywhere, LA 70043-3321 504-123-8888								<div style="text-align: center; font-weight: bold;">SHIP TO</div> <div style="text-align: center;">▶</div>															
																PHONE (A/C & No.)							
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT					
				BPA TERMS AND CONDITIONS ARE ATTACHED																			
				0																			
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																							
21 F.O.B. POINT				22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/PAYMENT CODE ▶				Sub-Total ▶		25									
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)				24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL ▶		27									
28 ACC LINE		29 ACCOUNTING CLASSIFICATION														30 DISTRIBUTION		31 AMOUNT					
- 2		A 5		B 10		C 5 3		D 4		E 1 4 1 2		2											
31a ISSUING OFFICE NAME AND ADDRESS								31b ORDERED BY (Name and Title)															
USDA, National Finance Center P.O. Box 60000 Anywhere, LA 70160-0001								Ralph Brown, Procurement Officer															
								31c COMMERCIAL PHONE (Area Code and Number)								31d FTS PHONE NO.							
								504-212-1234															
31e AUTHORIZED SIGNATURE																							
NFC																		FORM AD-838-7 (Rev. 7/90)					

Figure 25. Form AD-838 (Type 45) Required Entries (sample)

FOR AGENCY USE ONLY			UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER						
1 PAGE NO.	2 RECEIVING OFFICE NO.	3 CONTRACT NUMBER	4 ORDER DATE	5 SF-281	6 UNIT CODE	7 FUND CODE NC	8 ORDER NUMBER	9 SUB	
1 OF 1	XXXX	OM	01/21/1997	D1			45-XXXX-7-1		
9a TYPE PURCHASE (Check one)			9b SELLER'S IDENT. NO.		9c FORM 1099		9d TAXPAYER'S IDENT. NO.		
<input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER			12-3456789		<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES		12-3456789		
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)				11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance					
XYZ Supply Co. 123 South Street Anywhere, LA 70129-2116 504-885-5678				USDA, National Finance Center 13800 Old Gentilly Rd. Anywhere, LA 70129-2116					
				PHONE (A/C & No.)		504-212-1234		Check One <input type="checkbox"/> FTS <input type="checkbox"/>	
								COMM <input type="checkbox"/>	
12 LINE ITEM	13 ACT CODE	14 DESCRIPTION	15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT	
01		Tapes for XYZ System	2633	X				5000 00	
02		Periodic Maintenance on XYZ System, Serial No. 1234	2535	03				15000 00	
03		Miscellaneous Hardware	2670	X				10000 00	
BPA TERMS AND CONDITIONS ARE ATTACHED									
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().									
21 F.O.B. POINT			22 DISCOUNT AND/OR NET PAYMENT TERMS		22a TYPE COMMODITY/PAYMENT CODE		25 Sub-Total		
Destination			Net 30		0		30000 00		
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)			24 SHIP VIA		26 ESTIMATED FREIGHT		27 TOTAL		
					0		30000 00		
28 ACC LINE	29 ACCOUNTING CLASSIFICATION								
- 2	A	B	C		D	E		30 DISTRIBUTION	
	5	10	5	3	4	1	4	1 2	
01	XXXXXXXX							50%	
02	XXXXXXXX							50%	
03	XXXXXXXX								
31a ISSUING OFFICE NAME AND ADDRESS					31b ORDERED BY (Name and Title)				
USDA, National Finance Center					Mary Jones, Procurement Officer				
P.O. Box 60000					31c COMMERCIAL PHONE (Area Code and Number)				
Anywhere, LA 70160-2116					504-212-1234				
					31d FTS PHONE NO.				
					31e AUTHORIZED SIGNATURE				
NFC									
FORM AD-838-7 (Rev. 7/90)									

Figure 26. Form AD-838 (Type 45) Optional And Required Entries (sample)

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER															
1 PAGE NO. OF		2 RECEIVING OFFICE NO. XXXX		3 CONTRACT NUMBER		4 ORDER DATE 01/21/1997		5 SF-281 EA		6 UNIT CODE		7 FUND CODE NC		8 ORDER NUMBER 45-XXXX-7-15		9 SUB.			
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.							
<input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER				20-3212345				<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				20-3212345							
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)						SHIP TO ▶		11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance											
M&M Systems 256 North Ave. VXP312367889 Sample, LA 70043-1233 504-123-8888								PHONE (A/C & No.) _____ Check One ▶ FTS ▶ <input type="checkbox"/> COMM ▶ <input type="checkbox"/>											
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
				BPA TERMS AND CONDITIONS ARE ATTACHED															
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)(_____).																			
21 F.O.B. POINT				22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/ PAYMENT CODE ▶ 0				Sub-Total ▶		25					
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)				24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL ▶		27					
28 ACC LINE		29 ACCOUNTING CLASSIFICATION												30 DISTRIBUTION		31 AMOUNT			
- 2		A 5		B 10		C 5 3		D 4		E 1 4 1 2		2							
01		XXXXXXXX																	
31a ISSUING OFFICE NAME AND ADDRESS								31b ORDERED BY (Name and Title)											
USDA, National Finance Center P.O. Box 60000 Anywhere, LA 70160-2116								James Sample, Procurement Officer 31c COMMERCIAL PHONE (Area Code and Number) 504-212-1234											
								31d FTS PHONE NO.											
								31e AUTHORIZED SIGNATURE											
NFC																			

FORM AD-838-7 (Rev. 7/90)

Figure 27. Form AD-838 (Type 45) Omission Of Line Items (Block 12) With Accounting (Block 29) Included (sample)

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER															
1 PAGE NO.		2 RECEIVING OFFICE NO. XXXX		3 CONTRACT NUMBER		4 ORDER DATE 02/21/1997		5 SF-281 CA		6 UNIT CODE		7 FUND CODE T5		8 ORDER NUMBER 45-XXXX-7-11		9 SUB.			
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO. 12-3456789				9c FORM 1099 <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				9d TAXPAYER'S IDENT. NO. 12-3456789							
<input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER				10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) Southern Hardware Co. 12 University Ave. Sample, MN 55406-8282 612-729-1234				11 SHIP TO ▶				Consignee, Address, Zip Code, and Place of Inspection and Acceptance PHONE (A/C & No.) _____ Check One ▶ FTS ▶ _____ COMM ▶ _____							
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
01				Miscellaneous Hardware				2670										10000 00	
02				Lumber				2670										5000 00	
				BPA TERMS AND CONDITIONS ARE ATTACHED															
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																			
21 F.O.B. POINT						22 DISCOUNT AND/OR NET PAYMENT TERMS						22a TYPE COMMODITY/PAYMENT CODE ▶ 0							
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)						24 SHIP VIA						26 ESTIMATED FREIGHT							
												Sub-Total ▶ 25 15000 00 TOTAL ▶ 27 15000 00							
28 ACC LINE		29 ACCOUNTING CLASSIFICATION																	
- 2 -		A 5		B 10		C 5 3		D 4		E 1 4 1 2		30 DISTRIBUTION 2		31 AMOUNT					
31a ISSUING OFFICE NAME AND ADDRESS USDA - ARS P.O. Box 30 Anywhere, WA 99350-3232										31b ORDERED BY (Name and Title) Steve Smith, Procurement Officer									
										31c COMMERCIAL PHONE (Area Code and Number) 612-739-1234						31d FTS PHONE NO.			
										31e AUTHORIZED SIGNATURE									
NFC																			
FORM AD-838-7 (Rev. 7/90)																			

Figure 28. Form AD-838 (Type 45) Use Of Line Item (Block 12), And Description (Block 14) Accounting Classification (Block 29) (sample)

- If two or more offices will be forwarding receiving reports directly to NFC for goods and services, enter **M** in the 5th position followed by two digits representing the number of receiving offices involved. For example, XXXXM02 indicates two receiving offices. The requisitioner office is used to coordinate receipt for the total shipment. Also enter the multiple consignee names, addresses, and telephone numbers as illustrated on [Figure 1](#).
- Do not enter the M when the procurement office desires to submit a consolidated receiving report to the NFC and multiple offices are to receive the items.



Reminder

To promptly receive reporting that is generated by PRCH, it is important that the requisitioner office address be current. Changes must be submitted in writing by the agency contact point through GSA, Supply Management Division, Washington, DC 20406. Agencies can verify their address by calling 703-305-7977. (See **Reports, Action By Agencies Who Are Not Receiving Memorandums/Reports** under **Introduction** for details.)

- ③ **Contract Number**
Optional, alphanumeric
20 positions max.

Enter a contract number or **OM** for open market. When a combination of both is applicable, the higher dollar amount governs.

- ④ **Order Date**
Required, numeric
8 positions

Enter the date (mm/dd/yyyy) the BPA is prepared. The current date must not be exceeded and must be in the fiscal year indicated in the order number.

- ⑤ **SF-281**
Required, alphanumeric
2 positions

Enter the appropriate SF-281 code ([Appendix D](#)) to identify the method of procurement and type of business. (Data in this block permits NFC to collect the information needed to provide quarterly SF-281 reporting ([Exhibits 27](#) and [28](#)) of procurement activity for agencies to FPDC.)



Note

The codes/information entered in Blocks 5, 6, 7, 10, 12, 15, 16, and 29 are **stored** and can be used when the summary invoice is received for payment eliminating the need to provide this data on the AD-838D.

- ⑥ **Unit Code**
Conditional, numeric
2 positions

Used by FS only to enter the unit code. If not FS, skip this block.

- ⑦ **Fund Code**
Required, alphanumeric
2 positions

Enter the NFC assigned fund code. (It is also used to ensure proper distribution of agency reports.)

- ⑧ **Order Number**
Required, alphanumeric
12 positions max.

Enter the purchase order number as follows:

- The 2-digit **purchase order type** beginning with 45.
- The 4-position **GSA FEDSTRIP requisitioner number** of the office responsible for placing the order.
- The 1-digit **fiscal year**.
- The agency-unique **control number** (5 positions max.) for the respective ordering office. (It is not necessary to enter leading (left) zeros.)



- Sub.**
 9 Conditional, alphanumeric
 2 positions max.

The order number remains the same throughout the life of the BPA.

Enter the 1- or 2-position amendment number or special condition code. (See [Appendix E](#) for amendment criteria and sub identifiers.) This block is required to amend or cancel an order. A sample amendment is illustrated on [Figure 29](#). This sample AD-838 amends the order illustrated on [Figure 28](#). For additional amendment information, refer to the following and [Completion Instructions For Amending An AD-838](#).

- To cancel a BPA any time during the fiscal year, submit an AD-838 amendment to NFC showing the order number in Block 8 and **CN** in Block 9.
- To change the seller's name and/or remittance address, enter **DA** and complete Block 10.

- Type Purchase**
 9a No entry

Skip this block.

- Seller's Ident. No.**
 9b Required, numeric
 9 positions

Enter the vendor's TIN. Valid formats for the TIN are the EIN (formatted 00-0000000) or the SSN (formatted as 000-00-0000).

- Form 1099**
 9c Required, alphanumeric
 1 position

Enter **X** in the No box when IRS Form 1099 tax reporting is not required or enter **X** in the Yes box when the seller is subject to IRS Form 1099 tax reporting.



All nonforeign corporations are now subject to IRS 1099 tax reporting. (For more information concerning the Form 1099 tax reporting process, see [Overview, Internal Revenue Service \(IRS\) Form 1099 Tax Reporting](#) under [Introduction](#).)

- Taxpayer's Ident. No.**
 9d Required, numeric
 9 positions

Enter the seller's TIN. Valid formats for the TIN are the EIN (formatted 00-0000000) or the SSN (formatted as 000-00-0000).



The TIN is required for DCIA compliance and 1099 tax reporting. However, foreign vendors and intergovernmental payments may not be required to have a TIN. In these cases, leave this block blank and be sure to enter an appropriate foreign vendor or intergovernmental code in Block 5, SF-281. (See [Overview, Complying With The Debt Collection Improvement Act Of 1996](#) under [Introduction](#) for more information.)

- To: (Seller's Name, Address, City, State, ZIP Code, and Phone No.)**
 10 Required, alphanumeric

On the **first** line enter the seller/vendor name (34 positions max.). On the **second** line enter the vendor's remittance street address or post office box number (32 positions max.). On the **third** line enter any additional remittance address data needed (24 positions max.). If the vendor has been enrolled in Vendor Express, enter the 9-digit Vendor Express ID on this third line (for example, VXPXXXXXXXXX). On the **fourth** line enter the remittance name of the city (20 positions max.), the state abbreviation (2 positions), and the ZIP Code (9 positions max.). On the **fifth** line enter the area code and telephone number (10 positions) of the vendor.

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER													
1 PAGE NO.		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE 01/31/1997		5 SF-281 CA		6 UNIT CODE T5		7 FUND CODE T5		8 ORDER NUMBER 45-XXXX-7-11		9 SUB. 01	
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.					
<input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER								<input type="checkbox"/> NO <input type="checkbox"/> YES ►									
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)								11 SHIP TO ►		Consignee, Address, Zip Code, and Place of Inspection and Acceptance							
								PHONE (A/C & No.)		Check One ► FTS ►		COMM ►					
12 LINE ITEM	13 ACT CODE	14 DESCRIPTION				15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE		20 AMOUNT					
01		Miscellaneous Hardware				2670	01					10000	00				
02		Lumber				2670	03					5000	00				
03		Roofing Material				2670	02					4000	00				
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																	
21 F.O.B. POINT						22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/PAYMENT CODE ► 0		25 Sub-Total ►		19000	00		
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)						24 SHIP VIA				26 ESTIMATED FREIGHT		27 TOTAL ►		19000	00		
28 ACC LINE	29 ACCOUNTING CLASSIFICATION													30 DISTRIBUTION		31 AMOUNT	
2	A 5	B 10	C 5 3		D 4	E 1 4 1 2			2								
01	XXXXXXX																
02	XXXXXXX																
03	XXXXXXX																
31a ISSUING OFFICE NAME AND ADDRESS USDA – ARS P.O. Box 30 Anywhere, WA 99350–3232								31b ORDERED BY (Name and Title) Mary Sample, Procurement Officer				31c COMMERCIAL PHONE (Area Code and Number) 612–739–1234				31d FTS PHONE NO.	
								31e AUTHORIZED SIGNATURE									
NFC														FORM AD–838–7 (Rev. 7/90)			

Figure 29. Form AD–838 (Type 45) Amendment To Add A Line Item And Accounting To The AD–838 Illustrated On Figure 28 (sample)



Note



Reminder

To prevent repetitive entry of a different remittance address in Block 6 on the AD-838D, prepare an amended Type 45 AD-838 entering **DA** in Block 9, and providing the changed name and address in Block 10.

DCIA requires vendors to receive payments electronically unless the vendor certifies that an account at a financial institution is not available. When contracting for goods or services with a new vendor, the agency is required to obtain necessary banking information for enrollment in the Vendor Express program. Starting January 1, 1999, all Federal payments will be made by DD/EFT unless a wavier is approved. Agencies should refer to the Vendor Express procedure (Title II, Chapter 1, Section 2) for more information. Agencies can also contact the NFC Administrative Payments Branch, Miscellaneous Payments Section, at **504-255-4647** for information concerning Vendor Express and to obtain the Vendor Enrollment Package required for implementation. Vendors can contact this section by calling toll-free **1-800-421-0323**.

- ⑪ **Ship to: Consignee, Address, ZIP Code, and Place of Inspection and Acceptance**
Conditional, alphanumeric

On the **first** line enter the name of the agency (*34 positions max.*) that will receive and inspect the order. On the **second** line enter the street address (*32 positions max.*) where delivery is required. On the **third** line enter any additional address data needed (*32 positions max.*). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*).

Phone (A/C & No.)
Required, numeric
10 positions

Enter the telephone number of the consignee. If a commercial number, enter **X** in the Comm. box.

- ⑫ **Line Item**
Optional, numeric
2 positions

Enter a consecutive number for each item to be procured on the order. Begin with 01 and do not exceed 99 items for the order. When this block is used, Blocks 14, 15, and 20 become mandatory.



Note

If line items are indicated, they are stored. When the summary invoice is received for payment and the AD-838D is prepared, the line items on the AD-838D must match the line items stored from the AD-838.

- ⑬ **Act Code**
Optional, alphanumeric
1 position

Enter the action code ([Appendix E](#)) that identifies amounts that are added to or deducted from the subtotal in Block 25. (For examples, see **Additional Information For Type 40 Orders, [Entering Action Codes In Block 13](#)** under **Type 40 Completion Instructions.**)

- ⑭ **Description**
Required, alphanumeric

Enter the BPA conditions or reference to any BPA conditions that are attached to the Seller's part of the order. If Block 12 is completed, enter the description of the line items.



Note

(1) Do not send BPA conditions or any other attachments to NFC.

(2) If **M** was included in the 5th position of the Receiving Office No., enter the consignee names, addresses, and telephone numbers in Block 14 as illustrated on [Figure 1](#).

- ⑮ **Budget Object**
Optional, alphanumeric
4 positions

Enter the object classification code that define items related to Block 14.



When this block is used, Blocks 12 and 20 become mandatory. (See Title V, Chapter 3, Budget Object Classification Codes, for a reference list of these codes.)

Acc Line

(16) *Optional, alphanumeric
2 positions*

Enter the accounting line number (Block 28) that the line item (Block 12) will be charged or enter **X** when the accounting will be distributed (See [Figure 26](#)). If you entered **X**, include distribution in Block 30. Also, be sure to enter data in Blocks 28 and 29.



Do not exceed 99 accounting lines for each order.

Quantity

(17) *No entry*

Skip this block.

Unit Issue

(18) *No entry*

Skip this block.

Unit Price

(19) *No entry*

Skip this block.

Amount

(20) *Optional, numeric
8 positions max.*

Enter the individual amount for each line item in Block 12. Blocks 25 and 27 must also include this total.



If this block is filled, be sure to complete Blocks 12 and 15.

**This Purchase Order
Negotiated Pursuant To
Authority of 41 U.S.C.
252(c).**

(20a) *No entry*

Skip this block.



Blocks 21 through 31e. If the order contains more than one page, cut off these blocks on all pages except the last page. The data for these blocks should be indicated only on the last page of the order.

F.O.B. Point

(21) *Optional, alphanumeric
11 positions max.*

Enter the shipping terms in accordance with the terms of the BPA. Enter **destination** when the vendor agrees to pay the transportation cost. Enter **origin** when the agency agrees to pay the transportation cost. When **origin** is entered, also complete Block 24.

**Discount And/Or Net
Payment Terms**

(22) *Optional, alphanumeric*

Enter the exact terms of the time discount using decimals instead of fractions and net payment terms (for example, **2% 10 days net 11**, or **2% 15 days net 45**, or **1.5% 12 days net 200**, or if no time discount is offered, enter the payment terms (e.g., **net 20, 30, 45**, etc.). If no terms are established, the payment terms will default to Net 30 days.



When applicable, be sure the Type Commodity/payment Code, Block 22a, agrees with the net payment terms in this block. Enter 7 for Code M, 10 for Codes D or P, 14 for Code C, or 30 and over for Code O.

**Type Commodity/Payment
Code**

(22a) *Required, alphanumeric
1 position*

Enter **M, D, P, C, O**, or **X**. (See [Appendix G](#) for a description and the proper use of these codes.)



A separate order must be issued for each different code. Also, when applicable, be sure the net payment terms in Block 22 indicate 7 for Code M, 10 for Codes D or P, 14 for Code C, or 30 and over for Code O.

23 Deliver to F.O.B. Point On Or Before (Date)

Optional, numeric
8 positions

Enter the date (mm/dd/yyyy) that the delivery is expected or the date of completion of services.

24 Ship Via

Conditional, alphanumeric
22 positions max.

When Block 21 indicates *origin*, enter the method of shipment (e.g., parcel post, air mail, motor freight or railway express). When Block 21 shows *destination*, skip this block.

25 Sub-Total

Conditional, numeric
9 positions max.

Enter the cumulative total of all line item amounts listed in Block 20.

26 Estimated Freight

Conditional, numeric
7 positions max.

Enter the estimated freight charge when the agency agrees to pay the cost of transportation. If no charge is payable, enter *0* or *none*.



Caution

In accordance with FAR, if the transportation charge will be in excess of \$100, the vendor should be advised that a receipted freight or waybill is required prior to payment.

27 Total

Conditional, numeric
9 positions max.

Enter the total for all items (sub-total plus estimated freight). This block is mandatory when there is an entry in Blocks 25 and/or 26.

28 Acc Line

Optional, numeric
2 positions

Enter the accounting line number beginning with 01 when accounting classification will be shown in Block 29. When an account line is indicated in Block 16, it must correspond to the accounting line number shown here. Each accounting line number must be unique ranging from 01 to 99. If *X* is shown in Block 16, at least 2 lines of accounting data must be entered in Block 28.



Caution

Do not exceed 99 accounting lines for each order.

29 Accounting Classification

Optional, alphanumeric
27 positions max.

Enter the agency-assigned management or accounting classification code. Each accounting line recorded in Block 16 must be supported by an accounting classification code in this block.



Note

When an initial order does not contain stored accounting and the agency desires to amend that order to add a new line item with stored accounting, be sure to include accounting on the amendment for all items procured on the order. For example, when the order is amended all previous line items must have stored accounting added, not just the line being added or amended (see [Figure 29](#)).

30 Distribution

Conditional, numeric
2 positions

Enter the percentage (whole numbers) of distribution for each line of accounting. The percentages must total 100 percent. If you entered *X* in Block 16, two or more lines of accounting must be shown in Blocks 28 and 29. This block is also used to identify multi-agency procurement. (See [Figure 12](#).)

31 Amount

Conditional, numeric
9 positions max.

Enter amount that is applicable to each accounting line. This data shown in this block is for agency or NFC convenience in verifying accounting line charges.

- 31a Issuing Office Name and Address**
Required, alphanumeric
- On the **first** line enter the issuing office name (*34 positions max.*). On the **second** line enter the street address or post office box number (*32 positions max.*). On the **third** line enter any additional address data needed (*32 positions max.*). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*).
- 31b Ordered By (Name and Title)**
Required, Alphanumeric
- Enter the name (*25 positions max.*) and title (*25 positions max.*) of the procurement official authorized to sign the order.
- Only individuals with properly delegated procurement authority should sign the order. If required, NFC will contact this person about the order.
- 31c Commerical Phone (Area Code and Number)**
*Required, numeric
10 positions*
- Enter the telephone number of the official named in Block 31b. This information will be used by the vendor and NFC.
- 31d FTS Phone No.**
No entry
- Skip this block.
- Change the billing address on the seller's original from NFC to your agency office as described below.
- 31e Authorized Signature**
Required
- The signature of the official named in Block 31b.



Caution



Reminder

Seller's Original Billing Instructions. Invoices for Type 45 orders must be mailed to agency offices and not to NFC. To ensure that the vendor mails the invoice directly to the agency, the procuring officer must verify that the NFC billing address on the seller's original part of the order was crossed out and replaced with the agency address (See [Figure 30](#)). The summary invoice will then go directly to the agency office responsible for preparing the AD-838D, BPA-Invoice-Receipt Certification. This action will help to ensure that payments are made on time to avoid interest penalties. A proper invoice is defined in **Overview**, [Prompt Payment of Purchase Orders](#) under **Introduction**.

Mailing Instructions. After ensuring that the billing instructions were changed on the Seller's Original to that of the agency, forward it to the **seller** with the BPA for confirmation. If you are **not** a user of the PC-PRCH, PRCHENT or an agency-certified purchase order electronic system, forward only the NFC original part of the AD-838 to:

National Finance Center, USDA
P.O. Box 60000
New Orleans, LA 70160-0001



Caution

Do not forward the BPA or other documentation that is required by the seller to NFC.

UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER						THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, AND PAPERS RELATING TO THIS ORDER		
PAGE NO.	CONTRACT NUMBER	ORDER DATE 02/18/1997		ORDER NUMBER 45-XXXX-7-11	SUB			
TYPE PURCHASE (Check one) <input type="checkbox"/> PURCHASE ORDER (See Reverse) <input type="checkbox"/> DELIVERY ORDER		SELLER'S IDENT. NO. 12-3456789		FORM 1099 <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES		TAXPAYER'S IDENT. NO. 12-3456789		
TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) Southern Hardware Co. 12 University Ave. Sample, MN 55406-8282 612-729-1234				SHIP TO ▶				
				Consignee, Address, Zip Code, and Place of Inspection and Acceptance				
LINE ITEM	ACT CODE	DESCRIPTION	S E L L E R , S O R I G I N A L	QUANTITY	UNIT ISSUE	UNIT PRICE	AMOUNT	
01		Miscellaneous Hardware					10000 00	
02		Lumber					5000 00	
		BPA TERMS AND CONDITIONS ARE ATTACHED						
THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().								
F.O.B. POINT			DISCOUNT AND/OR NET PAYMENT TERMS		TOTAL ▶			15000 00
DELIVER TO F.O.B. POINT ON OR BEFORE: (Date.)			SHIP VIA					
<div style="border: 1px solid black; padding: 5px; width: 150px; float: left; margin-right: 10px;"> DO NOT SHIP ORDER TO THIS ADDRESS (Ship to Consignee Address Above) </div> <div> BILLING INSTRUCTIONS: No Billing Will Be Submitted In Advance Of Shipment Furnish Invoice With Our ORDER NUMBER To: U.S. DEPARTMENT OF AGRICULTURE Washington, D.C. P.O. Box 30000 New Orleans, Louisiana 70180 U.S. DEPARTMENT OF AGRICULTURE ARS P.O. Box 30 Prosser, WA 99350 FAILURE TO SHOW OUR PURCHASE ORDER NUMBER ON INVOICE WILL DELAY PAYMENT FREIGHT CHARGE OVER \$100 REQUIRES BILL OF LADING IF AVAILABLE, INCLUDE YOUR NINE POSITION DUNS NUMBER ON EACH INVOICE </div>								
ISSUING OFFICE NAME AND ADDRESS USDA – ARS P.O. Box 30 Anywhere, WA 99350-3232				ORDERED BY (Name and Title.) Steve Smith, Procurement Officer COMMERCIAL PHONE (Area Code and Number.) 612-739-1234 AUTHORIZED SIGNATURE				
SELLER'S ORIGINAL								

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Figure 30. Form AD-838 (Type 45) Seller's Original (sample)

Additional Information For Type 45 Orders

This section provides information on BPA's; multi-agency procurement; IRS notice of levy on wages, salary, or other income; and assignment of claims.

Blanket Purchase Agreement (BPA)

In the negotiation process of the BPA and in preparing the Type 45 order, agencies should always remember to:

- Request summary statements at least monthly for all deliveries made during the billing period or upon expiration of the BPA, whichever occurs first. This request should be made from the vendor at the time the BPA is negotiated.
 - Change the billing address on the seller's original part of the order from NFC to the agency office as discussed above under [Seller's Original Billing Instructions](#).
 - Include the purchase order number in the Billing Reference Block of the vendor's delivery receipt and the shipper's account number (when available) so the vendor can include this information on their invoice.
 - After receipt of the summary invoice from the vendor, indicate the customer number and statement date in Block 5, Vendor Payment Reference Number, (no more than 20 characters) when the AD-838D is prepared. (See [Type 45 Completion Instructions For AD-838D, BPA-Invoice-Receipt Certificate](#), and [Figure 26](#) for more information.). This delivery number will appear on the Notice To Check Recipient so that the vendor can properly credit the agency account.
 - Agencies should use the Type 45 purchase order for frequently used service (for example, Airborne Express and DHL Airways, Inc.). The Type 45 order provides the agency with the capability to receipt for multiple delivery invoices.
- Use the Type 43 order when the service is used on a limited basis. The Type 43 order provides the agency with the capability to receipt for a single delivery invoice.



Note

Multi-Agency Procurement (Type 45)

To prorate the cost of an item to one or more agencies ([Figure 12](#)), the procuring agency:

- Enter the assigned fund code of the office preparing the form in Block 7, Fund Code.
- Records that item as a separate entry for each agency sharing the cost of the order and enters the exact amount assessed to each agency in Block 20, Amount.
- Identifies each agency sharing the cost by entering the applicable accounting line in Block 28, accounting classification in Block 29, and agency code enclosed by parenthesis in Distribution, Block 30.



Note

Do not enter the agency code of the procuring agency or the accounting distribution percentage in Block 30.

IRS Notice Of Levy On Wages, Salary, And Other Income (Forms 668–W(c), 668–A, et al.) (Type 45)

Upon receipt of the notice of levy from IRS, the agency should immediately telephone NFC at **504–255–5464** to notify NFC’s certifying officer of the pending notice of levy.



If the notice of levy is sent directly to NFC by IRS, NFC will return it to IRS for submission to the applicable agency.

Agencies should process the notice of levy as follows:

- Record the purchase order number(s) on the notice of levy.
- Forward the notice of levy to NFC by memorandum for processing. The memorandum should include the name and address of the contractor/vendor and the purchase order number(s). Address the memorandum to:

National Finance Center, USDA
Certification and Disbursement Section
P.O. Box 60963
New Orleans, LA 70160–0963

- Retain a copy of the notice of levy in a pending file as a reminder to notify NFC of the purchase order number if additional procurements are made from that contractor/vendor.

Assignment Of Claims (Type 45)

An assignment of claims for money due or to become due under a purchase order can only be received from a bank, trust company, or other financing institution, including any Federal lending agency.

The assignment of claims documentation should consist of four original signed copies of the notice, together with one true copy of the instrument of assignment.

Upon receipt of a notice of assignment, the agency will immediately telephone NFC at **504–255–5464** to notify the certifying officer of the pending assignment.

When the assignment obligation is satisfied, the release of assignment must be received by NFC from the financing institution so that the notice of assignment record can be removed from the assigned purchase order(s). Further payments will then be sent to the payee that was initially shown on the order.



(1) C&DS will not accept photostatic (including faxed) copies of this documentation. Only originals or photostatic copies that have the original stamp of a certified true duplicate will be processed.

(2) If a change of assignment to another financial institution is necessary, a release of assignment from the previous financial institution must be processed by C&DS before the re-assignment can be processed.

(3) Since liability for payments begins with receipt of acknowledgement, agency procurement officials should not sign or acknowledge the assignment documentation that pertains to Type 40, 41, 43, 45, and 60 orders. The assigned documentation for these orders will be examined and acknowledged by NFC.

Agencies are to process the notice of assignment as follows:

- Record the purchase order number(s) on the assignment.
- Retain one copy of the assignment and forward the other three copies and the notarized copy to the address below for review and acknowledgement by NFC's certifying officer:

National Finance Center, USDA
Certification and Disbursement Section
P.O. Box 61700
New Orleans, LA 70160-0963

Type 45 Completion Instructions For An AD-838D, BPA-Invoice-Receipt Certificate

To authorize payments for a Type 45, submit the AD-838D ([Figure 31](#)) with the vendor's summary invoice for all deliveries made during the billing period or upon expiration of the BPA, whichever occurs first. The billing period must be established at the time the agency enters into the BPA with the vendor.

- Multiple invoices attached to a single AD-838D are acceptable only if the payment due date is the same. To consolidate payment for a specified period and payment due date, agencies should ask vendors to submit a monthly summary invoice for multiple transactions. This is accomplished when the BPA is negotiated.
- Agencies should not forward individual delivery tickets or sales slips received at the time of purchase to NFC. They should be retained by the agency and attached to the AD-838D only when there is no vendor summary invoice.

The following instructions correspond to the block numbers indicated on the AD-838D. Complete the blocks as follows:

① **Blanket Purchase Agreement (BPA) Order Number**

*Required, alphanumeric
12 positions*

Enter the BPA order number as indicated in Block 8 on the AD-838.

② **Vendor/Seller Ident. Number**

*Required, alphanumeric
9 positions*

Enter the vendor's TIN. Valid formats for the TIN are the EIN (formatted as 00-0000000) or the SSN, (formatted as 000-00-0000). The TIN in this block must be identical to the one shown on the AD-838 in Block 9b, Seller's Ident. No.

③ **Date Goods Received/Accepted/Service Period End Date**

*Required, numeric
8 positions*

Enter the date (mm/dd/yyyy) the goods or services were received and accepted or the date the service period ended. If single multiple invoices are submitted in a billing cycle, use the latest date. When invoices are consolidated in a billing cycle (established with a vendor), enter the last day of that transaction cycle.



Note

This can be done only when the vendor/seller agrees to the payment due date. A summary invoice for a billing period is the preferred method of billing.

BPA – INVOICE-RECEIPT CERTIFICATION <i>See Completion Instructions On Reverse of Agency Copy</i>												
1. BLANKET PURCHASE AGREEMENT (BPA) ORDER NUMBER 45-XXXX-7-11					6. VENDOR'S REMITTANCE NAME AND ADDRESS (Street or P.O. Box, City, State, and Zip Code) Complete this block only when the remittance address is different from Block 10 on Form AD-838 Jack Smith 128 Sample St. VXP123456780 Anytown, LA 70047-2116							
2. VENDOR/SELLER IDENT. NUMBER 12-3456789		3. DATE GOODS RECEIVED/ACCEPTED/ SERVICE PERIOD END DATE Month Day Year 02 24 1997								4. DATE BILLING STATEMENT RECEIVED Month Day Year 03 03 1997		
5. VENDOR PAYMENT REFERENCE NUMBER												
7. In approving this voucher, I have determined that the items billed were received, inspected, and accepted as complying with the BPA indicated												
8	9	10	11	12	13			14				
LINE ITEM NO.	FUND CODE	UNIT CODE	BUDGET OBJECT	SF 281 CODE	ACCOUNTING CLASSIFICATION			DOLLAR AMOUNT				
01								2000 01				
CAUTION: Do Not List More Than 99 Line Items On Each AD-838D. More Than 99 lines will result in processing delays and possible payment of interest penalties.												
					15. TOTAL ▶			2000 01				
19. Attach billing documents and mail to: (Use of Window Envelope is Optional) <div style="border: 1px solid black; padding: 10px; margin: 10px auto; width: 80%;"> USDA, National Finance Center P.O. Box 60075 New Orleans, Louisiana 70160 </div>					APPROVING OFFICER							
					16. SIGNATURE							
					17. DATE 03/03/1997							
					18. PHONE (Area Code and Number) 612-739-1234							
FORM AD-838D USDA (Rev. 11/91) NFC												

Figure 31. Form AD-838D (Type 45) BPA-Invoice-Receipt Certification (sample)

- ④ **Date Billing Statement Received**
Required, numeric
8 positions



Note

Enter the date (mm/dd/yyyy) the summary invoice was received. When no summary invoice was received, enter the date the latest invoice was received.

This can be done only when the vendor/seller agrees to the payment due date.

- ⑤ **Vendor Payment Reference Number**
Required, alphanumeric
20 positions max.

Enter the vendor payment reference number and statement date (invoice number, account number, etc.). In the case of multiple invoices, remember to include no more than 20 characters and attach only those invoices that can be identified within the 20 characters. If there are no invoice numbers,

account number, etc., on the payment document, enter the date (mm/dd/yyyy) of the invoice or statement.

6 Vendor's Remittance Name And Address
Conditional, alphanumeric

Enter the vendor name and complete remittance address when the name and address is different from the vendor that is identified in Block 10 on the AD-838. If the name and address is not different, leave the field blank.

On the **first** line enter the vendor's name (*34 positions max.*). On the **second** line enter the street address or post office box number (*32 positions max.*). On the **third** line enter the Vendor Express ID number (VXPXXXXXXXXX). On the **fourth** line enter the city (*20 positions max.*), state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*).



Caution

(1) Be sure the address indicated in Block 6 or on the AD-838 is the remittance address. If that address is not the remittance address, the payment check will be misdirected, causing NFC to reissue the check. This ultimately causes interest penalties and increases processing costs.

(2) Agencies must ensure that the correct remittance address is indicated on the AD-838 when Block 6 is left blank. This address should correspond with the remit to address on the vendor's invoice. If it does not correspond, the AD-838 should be amended.

(3) If an agency receives an invoice from a vendor who was enrolled in Vendor Express and a Vendor Express ID number is shown in the remittance address on the invoice, the agency must refer to the originating AD-838 to verify that the Vendor Express ID number and the complete remittance address that was entered on the AD-838 is the same as the one shown on the invoice. If the Vendor Express ID number has not been entered on the originating AD-838 or is different from the Vendor Express ID number on the vendor's invoice, on the third line of the vendor's remittance name and address in Block 6 on the AD-838D, enter the 9-digit Vendor Express ID number shown on the invoice (VXPXXXXXXXXX).

7 In Approving This Voucher, Etc.

This is the corresponding approving statement for the signature indicated in Block 16.

8 Line Item No.
*Conditional, numeric
2 positions*



Caution



Enter the line item number.

(1) This should **not** be a sequential line item number beginning with 01. However, if the AD-838 establishing the BPA did not include line items, then the number 01 should be used for all line items. If different accounting is used, enter 01, 02, 03, etc.

(2) Do not exceed 99 line items for each AD-838D. More than 99 line items will result in processing delays and possible payment of interest penalties.

9 Fund Code
*Conditional, alphanumeric
2 positions*

Enter the fund code when Block 13, Accounting Classification, will be completed. This code supports the accounting classification regardless of whether or not it was indicated on the AD-838.

- | | |
|--|---|
| <p>⑩ Unit Code
<i>Conditional, numeric
2 positions</i></p> | Used by FS only. If not FS, skip this block. If FS enter the unit code when Block 13, Accounting Classification, will be completed. This code supports the accounting classification regardless of whether or not it was indicated on the AD-838. |
| <p>⑪ Budget Object
<i>Conditional, numeric
4 positions</i></p> | Enter the budget object code when different from the budget object code on the establishing AD-838, or if no budget object code was entered on the establishing AD-838. |
| <p>⑫ SF-281
<i>Conditional, alphanumeric
2 positions</i></p> | Enter the SF-281 code when different from the SF-281 code on the establishing AD-838. |
| <p>⑬ Accounting Classification
<i>Conditional, alphanumeric
27 positions max.</i></p> | Enter the accounting classification when different from the accounting classification on the establishing AD-838 or when accounting classification was not entered on the establishing AD-838. Also complete Blocks 8, 9, 10, and 11. |
| <p style="text-align: center;">
Caution</p> | When a different accounting classification is shown here, it will not replace the accounting classification stored from the AD-838. To change the accounting classification on the AD-838, the order must be amended. Do not exceed 99 accounting lines for each AD-838D. More than 99 lines will result in processing delays and possible payment of interest penalties. |
| <p>⑭ Dollar Amount
<i>Required, numeric
8 positions max.</i></p> | Enter the dollar amount of line item charges from billing documents less volume, credit, and/or trade-in discounts. |
| <p style="text-align: center;">
Caution</p> | Do not deduct term discounts. These will automatically be computed by PRCH. |
| <p>⑮ Total
<i>Required, numeric
9 positions max.</i></p> | Enter the total amount to be paid to the vendor. This total must agree with the total of the billing document to be attached. |
| <p>⑯ Approving Officer Signature
<i>Required</i></p> | The signature of the approving officer. |
| <p>⑰ Date
<i>Required, numeric
8 positions</i></p> | Enter the date (mm/dd/yyyy) this form is signed. |
| <p>⑱ Phone (Area Code And Number)
<i>Required, numeric
10 positions</i></p> | Enter the phone number where the authorized official can be reached for additional information. If a commercial number, enter <i>X</i> in the Comm. box. |
| <p>⑲ Attach Billing Documents And Mail To:
<i>No entry</i></p> | NFC's address is preprinted on the form. |

Mailing Instructions. Be sure to attach (staple) only the vendor's summary invoice (that shows the invoice number, date, and amount of purchase for all deliveries made during a billing period) to the back of the AD-838D.



(1) Multiple invoices attached to a single AD-838D are acceptable only when the vendor refuses to issue a summary invoice. The payment due dates must be the same.

(2) Retain delivery tickets or sales slips received at the time of purchase. Do not submit them to NFC with the AD-838D. Attaching delivery tickets and sales slips increases payment processing costs because NFC must verify these documents against the AD-838D and establish a payment due date based on the latest date of the tickets or sales slips.

Mail the AD-838D and vendor's summary invoice to the preprinted address shown on the form or as follows:

National Finance Center, USDA
P.O. Box 60075
New Orleans, Louisiana 70160-0001

Type 60 Completion Instructions

The Type 60 order is used only by Rural Development and the Farm Service Agency (FSA).

This section provides specific instructions for completing an AD-838 and a Form FmHA 838-B, Invoice-Receipt Certification. This section also includes additional information for Type 60 orders such as IRS notice of levy on wages, salary, and other income, and assignment of claims.

Type 60 Completion Instructions For An AD-838, Purchase Order

The Type 60 order ([Figure 32](#)) is used by Rural Development and FSA relating to program contract payments. To prepare the Type 60, use your agency guidelines together with the information below.



(1) Do not issue a Type 60 to a foreign vendor who will bill in foreign currency. Foreign currency payments can only be processed through Type 40 and 41 purchase orders.

(2) To indicate a difference between the zero and alpha O used in alphanumeric fields, slash the zeros and unslash alpha O's.

The following instructions correspond to the block numbers on the AD-838. Complete the blocks as follows:

For Agency Use Only
*Optional, alphanumeric
20 positions max.*

Enter the requisitioner identification or other data required by your agency. This information will not print on the Seller's original.

① Page No.
Required, alphanumeric

Enter the page number and total pages in the order (1 of 4, 2 of 4, etc.).

② Receiving Office No.
*Required, alphanumeric
7 positions max.*

Enter the last four positions of the GSA FEDSTRIP requisitioner number of the office responsible for answering inquiries concerning receipt of the order. **Do not** include the first two positions of that number.

- If two or more offices will be forwarding receiving reports directly to NFC, enter **M** in the 5th position followed by two digits representing the number of receiving offices involved. For example, XXXXM02 indicates two receiving offices. The requisitioner office is contacted for answers regarding shipment. Also enter the consignee names, addresses, and telephone numbers in Block 14, Description, as illustrated on [Figure 1](#).

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE/ PURCHASE ORDER													
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO. XXXX		3 CONTRACT NUMBER		4 ORDER DATE 11/27/1997		5 SF-281 22		6 UNIT CODE		7 FUND CODE TH		8 ORDER NUMBER 60-XXXX-7-N0007		9 SUB.	
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.					
<input checked="" type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER				12-3232211				<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES				12-3232211					
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)								11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance									
Anytown Tax Collector 100 Moss Avenue VXP188563333 Anytown, NJ 07860 120-123-5566								County Supervisor USDA, Rural Housing Service Route 8 Box 34 Sample, NJ 07864									
PHONE (A/C & No.) 120-123-3456								Check One <input type="checkbox"/> FTS <input type="checkbox"/> COMM <input type="checkbox"/>									
12 LINE ITEM	13 ACT CODE	14 DESCRIPTION				15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT						
01	L	Payment of 1996 Taxes				SXXX		1	EA	1,997.03	1,997	03					
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																	
21 F.O.B. POINT					22 DISCOUNT AND/OR NET PAYMENT TERMS Net 30			22a TYPE COMMODITY/ PAYMENT CODE <input checked="" type="checkbox"/> X		Sub-Total		25					
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date) 12/30/1996					24 SHIP VIA			26 ESTIMATED FREIGHT		TOTAL		27					
												1,997	03				
												1,997	03				
28 ACC LINE	29 ACCOUNTING CLASSIFICATION																
	A	B	C	D	E	30 DISTRIBUTION							31 AMOUNT				
2	5	10	5 3	4	1 4 1 2	2											
31a ISSUING OFFICE NAME AND ADDRESS USDA, Rural Housing Service 100 Sample Avenue Anytown, NJ 07860						31b ORDERED BY (Name and Title) Mary Brown, County Supervisor											
						31c COMMERCIAL PHONE (Area Code and Number) 120-123-3456				31d FTS PHONE NO.							
						31e AUTHORIZED SIGNATURE											
NFC													FORM AD-838-7 (Rev. 7/90)				

Figure 32. Form AD-838 (Type 60) (sample)



- Do not enter the **M** when the procuring office desires to submit a consolidated receiving report to NFC and multiple offices are to receive the items.

To promptly receive reporting that is generated by PRCH, it is important that the requisitioner office address be current. Changes must be submitted in writing by the agency contact point through the GSA, Supply Management Division, Washington, DC 20406. Agencies may verify their address by calling **703-305-7977**. (See **Reports, [Action By Agencies Who Are Not Receiving These Memorandums/Reports](#)** under **Introduction** for details.)

- Contract Number**
③ *Conditional, alphanumeric
20 positions max.*

Enter the contract number if the order is contractual (**C** in the eighth position of the order number) and Block 9a, Type Purchase, is marked delivery order. If the order is noncontractual (**N** in the eighth position of the order number), skip this block.

- Order Date**
④ *Required, numeric
8 positions*

Enter the date (mm/dd/yyyy) the order was placed with the vendor and not the date the order is prepared. Do not exceed the current date which must be in the fiscal year indicated in the order number.

- SF-281**
⑤ *Required, alphanumeric
2 positions*

Enter the appropriate SF-281 code ([Appendix D](#)) if the order is contractual (**C** in the eighth position of the order number) that describes the method of procurement and type of business. Enter **22** if the order is noncontractual (**N** in the eighth position of the order number). (Data in this block permits NFC to collect the information needed to provide quarterly SF-281 reporting ([Exhibits 27](#) and [28](#)) of procurement activity for agencies to submit to the Federal Procurement Data Center.)

- Unit Code**
⑥ *No entry*

Skip this block.

- Fund Code**
⑦ *Required, alphanumeric
2 positions*

Enter **TH** for Rural Development or **T8** for FSA.

- Order Number**
⑧ *Required, alphanumeric
12 positions max.*

Enter the order number as follows:

- The 2-digit **purchase order type** beginning with **60**.
- The 4-position **GSA FEDSTRIP requisitioner number** of the office responsible for placing the order.
- The 1-digit **fiscal year**.
- The first position identifies the order as **C** (contractual) or **N** (noncontractual), then the agency-unique **control number** (*5 positions max.*).

- Sub.**
⑨ *Conditional, alphanumeric
2 positions max.*

Enter the 1- or 2-position amendment number or special condition code. (See [Appendix E](#) for amendment criteria and sub identifiers.)

- To change the seller's name and address, enter **DA**.
- To delete active unpaid orders, enter **DL**.

- To amend the order, enter a 2-position numeric value.
- To cancel the order, enter **CN**.

9a **Type Purchase**
Required, alphanumeric
1 position

Enter **X** in the purchase order box when the order involves a purchase order or enter **X** in the Delivery Order box when the purchase covers a delivery order.

9b **Seller's Ident. No.**
Required, numeric
9 positions

Enter the vendor's TIN. Valid formats for the TIN are the EIN (formatted 00-0000000) or the SSN (formatted as 000-00-0000).

9c **Form 1099**
Required, alphanumeric
1 positions

Enter **X** in the No box when IRS Form 1099 tax reporting is not required or enter **X** in the Yes box when the seller is subject to IRS Form 1099 tax reporting.



Caution

All nonforeign corporations are now subject to IRS 1099 tax reporting. (For more information concerning the Form 1099 tax reporting process, see **Overview, [Internal Revenue Service \(IRS\) Form 1099 Tax Reporting](#)** under **Introduction.**)

9d **Taxpayer's Ident. No.**
Required, numeric
9 positions



Note

Enter the seller's TIN. Valid formats for the TIN are the EIN (formatted 00-0000000) or the SSN (formatted as 000-00-0000).

The TIN is required for DCIA compliance and 1099 tax reporting. However, foreign vendors and intergovernmental payments may not be required to have a TIN. In these cases, leave this block blank and be sure to enter an appropriate foreign vendor or intergovernmental code in Block 5, SF-281. (See **Overview, [Complying With The Debt Collection Improvement Act Of 1996](#)** under **Introduction** for additional information.)

10 **To: Seller's Name, Address, Cit, State, ZIP Code, and Phone No.)**
Required, alphanumeric



Reminder

On the **first** line enter the seller/vendor name (*34 positions max.*). On the **second** line enter the street address or post office box number (*32 positions max.*). On the **third** line enter any additional address data needed (*24 positions max.*). If the vendor has been enrolled in Vendor Express, enter the 9-digit Vendor Express ID number on this third line (for example, VXPXXXXXXXXX). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*). On the **fifth** line enter the area code and telephone number (*10 positions*) of the vendor.

DCIA requires vendors to receive payments electronically unless the vendor certifies that an account at a financial institution is not available. When contracting for goods or services with a new vendor, the agency is required to obtain necessary banking information for enrollment in the Vendor Express program. Starting January 1, 1999, all Federal payments will be made by DD/EFT unless a waiver is approved. Agencies should refer to the Vendor Express procedure (Title II, Chapter 1, Section 2) for more information. Agencies can also contact the NFC Administrative Payments Branch, Miscellaneous Payments Section, at **504-255-4647** for information concerning Vendor Express and to obtain the Vendor Enrollment Package required for implementation. Vendors can contact this section by calling toll-free **1-800-421-0323**.

- ⑪ **Ship to: Consignee, Address, ZIP Code, and Place of Inspections and Acceptance**
Required, alphanumeric

On the **first** line enter the name of the agency (*34 positions max.*) that will receive and inspect the order. On the **second** line enter the street address (*32 positions max.*) where delivery is required. On the **third** line enter any additional address data needed (*32 positions max.*). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*).

Phone (A/C & No.)
Required, numeric
10 positions

Enter the telephone number of the consignee. If a commercial number, enter **X** in the Comm. box.

- ⑫ **Line Item**
Required, numeric
2 positions

Enter the line item number beginning with **01** through **99**.

- ⑬ **Act Code**
Conditional, alphanumeric
1 position

Enter **A** (Administrative), **L** (Liquidating Fund – Borrowers whose loans were obligated prior to Fiscal Year 1992), or **R** (Financing Fund – Borrowers whose loans were obligated after Fiscal Year 1992) if Block 9, Sub, is **00**.



Note

If the order is amended (Block 9 is greater than 00 or blank), enter **X** (cancel a line item) or leave blank when the amendment is not being issued to cancel an item. If adding a line item, enter A, L, or R.

- ⑭ **Description**
Required, alphanumeric

Enter description of the line item (Block 12) and special information to the vendor.



Reminder

If **M** was included in the 5th position of the Receiving Office No., Block 2, enter the consignee names, addresses, and telephone numbers as illustrated on [Figure 1](#).

- ⑮ **Budget Object**
Required, alphanumeric
4 positions

Enter the Program Authority Code (PAC).

- If the Fund Code is **TH**, the first position of the PAC **must not equal E or F**.
- If the Fund Code is **T8**, the first position of the PAC **must equal E or F**.
- If the order is contractual (C in the 8th position of the order number), the third position of the PAC must be A, B, C, D, E, F, G, H, I, J, Y, or Z.
- If the order is noncontractual (N in the 8th position of the order number), the third position of the PAC is N, J (environmental), or Y (managerial).

- ⑯ **Acc Line**
No entry




Skip this block.


- ⑰ **Quantity**
Required, numeric
8 positions max.

Enter the whole number (*5 positions max.*), a decimal, and then the decimal part (*3 positions max.*). (For example, a quantity of 50 1/4 dozens = **50.25**.)

- ⑱ **Unit Issue**
Required, alphanumeric
3 positions max.

Enter the unit of measurement (**DZ, EA, JOB, PK, LOT, YR**, etc.)

- Unit Price**
(19) *Required, numeric
10 positions max.*
After ensuring that the unit price is current, enter the dollar portion of the unit price (*6 positions max.*), a decimal, and then the cents portion (*4 positions max.*).
- Amount**
(20) *Required, numeric
8 positions max.*
Enter the amount of the extended value of the line item (quantity \times unit price). Round off to 2 decimal places.
- This Purchase Order Negotiated Pursuant to Authority of 41 U.S.C. 252(c).**
(20a) *No entry*

Blocks 21 through 31e: If the order contains more than one page, cut off these blocks on all pages except the last page. The data for these blocks should be indicated only on the last page of the order.
- F.O.B. Point**
(21) *No entry*
Skip this block.
- Discount And/Or Net Payment Terms**
(22) *Required, alphanumeric*
Enter the exact terms of the time discount using decimals instead of fractions and net payment terms (for example, **2% 10 days net 30**, or **1.5% 12 days net 20**, or if no time discount is offered, enter the payment terms (e.g., **net 20, 30, 45**, etc.)).
- Type Commodity/Payment Code**
(22a) *Required, alphanumeric
1 position*
Enter **O** (subject to the Prompt Payment Act) if the order is contractual. Enter **X** (not subject to the Prompt Payment Act) if the order is noncontractual. (See [Appendix G](#) for a description and the proper use of the codes.)
- Delivery to F.O.B. Point On Or Before (Date)**
(23) *Required, numeric
8 positions*
Enter the date (mm/dd/yyyy) the delivery is expected or the date of completion of services.
- Ship Via**
(24) *No entry*
Skip this block
- Sub-Total**
(25) *Required, numeric
9 positions max.*

Enter the cumulative total of all line items for the entire order.
This is the total that appears on the Seller's Original.
- Estimated Freight**
(26) *No entry*
Skip this block.
- Total**
(27) *Required, numeric
9 positions max.*

Enter the total for all items (sub-total plus estimated freight) on the last page of the order.
Tolerance criteria is not permitted. NFC will contact the procurement office to request an amendment to obligate additional funds if the amount on the FmHA 838-B exceeds the AD-838 amount.
- Acc Line**
(28) *No entry*
Skip this block.

- Accounting Classification** Skip this block.
(29) *No entry*
- Distribution** Skip this block.
(30) *No entry*
- Amount** Skip this block.
(31) *No entry*
- Issuing Office Name and Address** On the **first** line enter the issuing office name (*34 positions max.*). On the **second** line enter the street address or post office box number (*31 positions max.*). On the **third** line enter any additional address data needed (*32 positions max.*). On the **fourth** line enter the name of the city (*20 positions max.*), the state abbreviation (*2 positions*), and the ZIP Code (*9 positions max.*).
(31a) *Required, alphanumeric*
- Ordered By (Name and Title)** Enter the name (*25 positions max.*) and title (*25 positions max.*) of the procurement official authorized to sign the order.
(31b) *Required, alphanumeric*
-  Only individuals with properly delegated procurement authority should sign the order. If required, NFC will contact this person about the order.
Note
- Commercial Phone (Area Code and Number)** Enter the telephone number of the official named in Block 31b.
(31c) *Required, numeric*
10 positions
- FTS Phone No.** Skip this block.
(31d) *No entry*
- Authorized Signature** The signature of the official named in Block 31b.
(31e) *Required*

Seller's Original Billing Instructions. Invoices for Type 60 orders must be mailed to agency offices and not to NFC. To ensure that the vendor mails the invoice directly to the agency, the procuring officer must verify that the NFC billing address on the seller's original part of the order was crossed out and replaced with the agency address (see [Figure 33](#)). The invoice will then go directly to the agency office responsible for preparing the FmHA 838-B, Invoice-Receipt Certification. This action will help to ensure that payments are made on time to avoid interest penalties.



A proper invoice is defined in **Overview**, [Prompt Payment of Purchase Orders](#) under **Introduction**.

Mailing Instructions. After ensuring that the billing instructions are changed on the Seller's original, forward it to the seller to order or confirm the order. If you are not a user of the PRCHENT or PC-PRCH, forward only the NFC original part of the AD-838 to:

National Finance Center, USDA
P.O. Box 60000
New Orleans, LA 70160-0001

UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER					THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, AND PAPERS RELATING TO THIS ORDER		
PAGE NO.	CONTRACT NUMBER	ORDER DATE			ORDER NUMBER	SUB	
OF TYPE PURCHASE (Check one) <input type="checkbox"/> PURCHASE ORDER (See Reverse) <input type="checkbox"/> DELIVERY ORDER		SELLER'S IDENT. NO.		FORM 1099 <input type="checkbox"/> NO <input type="checkbox"/> YES		TAXPAYER'S IDENT. NO.	
TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)				Consignee, Address, Zip Code, and Place of Inspection and Acceptance			
SHIP TO 							
LINE ITEM	ACT CODE	DESCRIPTION	S E L L E R ' S O R I G I N A L	QUANTITY	UNIT ISSUE	UNIT PRICE	AMOUNT
THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().							
F.O.B. POINT			DISCOUNT AND/OR NET PAYMENT TERMS		TOTAL		
DELIVER TO F.O.B. POINT ON OR BEFORE: (Date,)			SHIP VIA				
<div style="border: 1px solid black; padding: 5px; width: 15%; float: left; margin-right: 10px;"> DO NOT SHIP ORDER TO THIS ADDRESS (Ship to Consignee Address Above) </div> <div> BILLING INSTRUCTIONS: No Billing Will Be Submitted In Advance Of Shipment Furnish Invoice With Our ORDER NUMBER To: U.S. DEPARTMENT OF AGRICULTURE U.S. DEPARTMENT OF AGRICULTURE XXXXXXX Rural Housing Service XXXXXXXXXXXXXXXXXXXX 100 Sample Ave. New Orleans, Louisiana 70160 Anytown, NJ 07860 FAILURE TO SHOW OUR PURCHASE ORDER NUMBER ON INVOICE WILL DELAY PAYMENT FREIGHT CHARGE OVER \$100 REQUIRES BILL OF LADING IF AVAILABLE, INCLUDE YOUR NINE POSITION DUNS NUMBER ON EACH INVOICE </div>							
ISSUING OFFICE NAME AND ADDRESS				ORDERED BY (Name and Title.)			
				COMMERCIAL PHONE (Area Code and Number,.)			
				AUTHORIZED SIGNATURE			
SELLER'S ORIGINAL							

FORM AD-838-7 (Rev. 7/90)

Figure 33. Form AD-838 (Type 60) Seller's Original (sample)

Additional Information For Type 60 Orders

This section provides information about IRS notice of levy on salary, wages, or other income and assignment of claims

Multi-Agency Procurement (Type 60)

To prorate the cost of an item to one or more agencies ([Figure 12](#)), the procuring agency:

- Enter the assigned fund code of the office preparing the form in Block 7, Fund Code.
- Records that item as a separate entry for each agency sharing the cost of the order and enters the exact amount assessed to each agency in Block 20, Amount.
- Identifies each agency sharing the cost by entering the applicable accounting line in Block 28, accounting classification in Block 29, and agency code enclosed by parenthesis in Distribution, Block 30.



Note

Do not enter the agency code of the procuring agency or the accounting distribution percentage in Block 30.

IRS Notice Of Levy On Wages, Salary, And Other Income (Forms 668–W(c), 668–A, et al.) (Type 60)

Upon receipt of the notice of levy from IRS, the agency should immediately telephone NFC at **504–255–5464** to notify NFC’s certifying officer of the pending notice of levy.



Note

If the notice of levy is sent directly to NFC by IRS, NFC will return it to IRS for submission to the applicable agency.

Agencies should process the notice of levy as follows:

- Record the purchase order number(s) on the notice of levy.
- Forward the notice of levy to NFC by memorandum for processing. The memorandum should include the name and address of the contractor/vendor and the purchase order number(s). Address the memorandum to:

National Finance Center, USDA
Certification and Disbursement Section
P.O. Box 60963
New Orleans, LA 70160–0963

- Retain a copy of the notice of levy in a pending file as a reminder to notify NFC of the purchase order number if additional procurements are made from that contractor/vendor.

Assignment Of Claims (Type 60)

An assignment of claims for money due or to become due under a purchase order can only be received from a bank, trust company, or other financing institution, including any Federal lending agency.

The assignment of claims documentation should consist of four original signed copies of the notice, together with one true copy of the instrument of assignment.

Upon receipt of a notice of assignment, the agency will immediately telephone NFC at **504-255-5464** to notify the certifying officer of the pending assignment.

When the assignment obligation is satisfied, the release of assignment must be received by NFC from the financing institution so that the notice of assignment record can be removed from the assigned purchase order(s). Further payments will then be sent to the payee that was initially shown on the order.



(1) C&DS will not accept photostatic (including faxed) copies of this documentation. Only originals or photostatic copies that have the original stamp of a certified true duplicate will be processed.

(2) If a change of assignment to another financial institution is necessary, a release of assignment from the previous financial institution must be processed by C&DS before the re-assignment can be processed.

(3) Since liability for payments begins with receipt of acknowledgement, agency procurement officials should not sign or acknowledge the assignment documentation that pertains to Type 40, 41, 43, 45, and 60 orders. The assigned documentation for these orders will be examined and acknowledged by NFC.

Agencies are to process the notice of assignment as follows:

- Record the purchase order number(s) on the assignment.
- Retain one copy of the assignment and forward the other three copies and the notarized copy to the address below for review and acknowledgement by NFC's certifying officer:

National Finance Center, USDA
Certification and Disbursement Section
P.O. Box 61700
New Orleans, LA 70160-0963

Type 60 Completion Instructions For An FmHA 838–B, Invoice-Receipt Certification



To authorize payments of a Type 60 AD–838, prepare FmHA 838–B ([Figure 34](#)) using the instructions below and Rural Development and FSA guidelines.



Caution

To modify FmHA 838–B, Type 60, use PC–PRCH to transmit data to NFC. Instructions can be found in Title VI, Chapter 7, Section 13. Paper documents covering modifications to the FmHA 838–B will **not** be accepted by NFC.

The following instructions correspond to the block numbers indicated on the FmHA 838–B. Complete the blocks as follows:

-
- | | |
|--|--|
| <p>① Purchase Order Number
<i>Required, alphanumeric
12 positions max.</i></p> | Enter the purchase order number beginning with 60 as indicated in Block 8 on the corresponding AD–838. |
| <p>② Mod No.
<i>No entry</i></p> | Skip this block. |
| <p> Note</p> | To modify FmHA 838–B, Type 60, you must use PC–PRCH to transmit data to NFC. |
| <p>③ Payment Code
<i>Conditional, alphanumeric
1 position</i></p> | Enter <i>N</i> to process a non-cash transaction, otherwise, skip this block. |
| <p>④ Date Services Accepted
<i>Required, numeric
8 positions</i></p> | Enter the date (mm/dd/yyyy) services are accepted. |
| <p>⑤ Date Invoice Received
<i>Required, numeric
8 positions</i></p> | Enter the date (mmddyyyy) the invoice was received. |
| <p>⑥ Vendor Invoice No.
<i>Required, alphanumeric
20 positions max.</i></p> | Enter the vendor’s invoice number. |
| <p>⑦ Vendor Name
<i>Required, alphanumeric
34 positions max.</i></p> | Enter the payee name. |
| <p>⑧ Vendor Number
<i>Required, numeric
11 positions max.</i></p> | Enter the vendor number. |
| <p>⑨ MFH Project No.
<i>Optional, numeric
3 positions max.</i></p> | Enter the project number. |
| <p>⑩ Mod. Code
<i>No entry</i></p> | Skip this block. |
| <p> Note</p> | To modify FmHA 838–B, Type 60, you must use PC–PRCH to transmit data to NFC. |
| <p>⑪ Line Item No.
<i>Required, numeric
2 positions</i></p> | Enter the line item number. |

- | | |
|---|--|
| <p>12 State Code
<i>Required, alphanumeric
2 positions</i></p> <p>13 Country Code
<i>Required, numeric
3 positions</i></p> <p>14 Borrower/Property
Identification No.
<i>Optional, alphanumeric
10 positions</i></p> <p>15 Loan No.
<i>Conditional, numeric
3 positions</i></p> <p>16 Amort. Period
<i>Optional, numeric
3 positions</i></p> <p>17 Quantity
<i>Required, numeric
3 positions max.</i></p> <p>18 Dollar Amount
<i>Required, numeric
9 positions max.</i></p> <p>19 Total
<i>Required, numeric
9 positions max.</i></p> <p>20 Receipt Exception
<i>Conditional, alphanumeric</i></p> | <p>Enter a valid state code.</p> <p>Enter a valid county code.</p> <p>Enter the Borrower/Property Identification number.</p> <p>Enter the loan number.</p> <p>Enter the amortization period.</p> <p>Enter the quantity of the billed item.</p> <p>Enter the dollar amount of the billed item.</p> <p>Enter the total amount to be paid to the vendor.</p> <p>Enter comments or receipt discrepancy related to the items billed by the vendor on the invoice. The explanation should be brief and descriptive. It should not be indicated on the invoice. This information may be needed for the preparation of the Notice To Check Recipient when payment made is less than the billed amount.</p> |
| <p>21 FEDSTRIP No. of
Requesting Office
<i>Optional, alphanumeric
4 positions</i></p> <p>22 Address of Requesting
Office
<i>Required, alphanumeric
32 positions max.</i></p> <p>23 Name of Authorized
Official
<i>Required, alphanumeric
30 positions max.</i></p> <p>24 Signature of Authorized
Official
<i>Required</i></p> <p>25 Date
<i>Required, numeric
8 positions</i></p> <p>26 Phone Number
<i>Required, numeric
10 positions</i></p> | <p>Enter the GSA FEDSTRIP requisitioner number of the requesting office.</p> <p>Enter the requesting office complete name and address.</p> <p>Enter the name of the authorizing official.</p> <p>The signature of the authorizing official indicated in Block 23.</p> <p>Enter the date (mm/dd/yyyy) the document is prepared.</p> <p>Enter the telephone number of the requesting office.</p> |

Mailing Instructions. Staple a single invoice (be sure the staple does not cover the remittance address shown on the invoice) to the back of the FmHA 838-B. Cross out the agency address that may appear on the invoice so that a payment check will not be inadvertently directed to the agency. Mail the documents to:

National Finance Center, USDA
P.O. Box 60075
New Orleans, Louisiana 70160-0001



The Vendor Express ID number is not entered on the FmHA 838-B, Invoice-Receipt Certification; however, this number must be entered on the second line of the remittance address on the invoice prior to forwarding the FmHA 838-B and invoice to NFC.

Completion Instruction For Amending An AD-838, Purchase Order

This section provides specific instructions and examples on amending purchase orders.

Type 40, 41, 43, 45, and 60 purchase orders can be amended to reflect changes, additions, or cancellations to information on the initial AD-838. (See [Figure 35](#).) An amendment to a purchase order consists principally of the old data overlaid with the new data.



Type **41-P** orders cannot be amended.

Type 42 orders can only be amended to correct the spelling of a vendors name and/or address (Code **DA** in Block 9). If a change to the items ordered are required, the order must be canceled and a new order with a new order number issued. Since this type of order is paid automatically, if payment was made prior to its cancellation, a refund must be obtained.

When amending an AD-838, you should complete the following blocks **plus** the blocks to be amended or deleted.

Block 1, Page No. Enter the page number and total pages of the amendment (1 of 3, 2 of 3, etc.).

Block 4, Order Date. Enter the date (mm/dd/yyyy) the order is amended.

Block 8, Order Number. Enter the purchase order number as indicated in Block 8 on the initial AD-838.

Block 9, Sub. Enter the amendment criteria or sub identifier.

Block 14, Description. Enter a brief explanation of the reasons for the amendment when the seller is forwarded a copy of the amendment.

Block 31b, Ordered by (Name and Title). Enter the name and title of the procurement official authorized to sign the amendment.

Block 31c, Commercial Phone (Area Code and Number). Enter the telephone number of the official names in Block 31b.

Block 31e, Authorized Signature. The signature of the official named in Block 31b.

Mailing Instructions. If the vendor requires the amendment information, forward the Seller's Original part of the order to the seller for confirmation. If you are not a user of the PRCHENT or PC-PRCH systems, forward the NFC original part of the AD-838 to:

National Finance Center, USDA
P.O. Box 60000
New Orleans, LA 70160-0001

The following are specific guidelines on how to change, add, or cancel certain data elements previously entered on the initial AD-838.

See [Figure 24](#) for an example of a Type 45 amendment that adds a line item and accounting to the initial order.

Amending Block 11

The example in [Figure 35](#) amends the consignee delivery address. Enter the correct consignee address in Block 11 and enter a brief explanation of the reason for the amendment in Block 14. Since this information is required by the vendor, the Seller's Original part of the amended AD-838 is forwarded to the vendor.

Amending Blocks 2, 3, 5, 6, 9b, 9c, 9d, 18, 22, 22a, And 26

In this example in [Figure 36](#) changes are made to Blocks 5 and 22. Enter a unique numeric amendment number in Block 9. Enter the correct data to replace the data indicated on the initial order. Since this information is required by the vendor, the Seller's Original part of the amended AD-838 is forwarded to the vendor.

If changes are needed for Blocks 2, 3, 6, 9b, 9c, 9d, 18, 22a, or 26, follow these same procedures. Forward the Seller's Original part of the amended AD-838 to the vendor only if the change affects the ordering process.

Amending Blocks 10, 11, And 21

In this example in [Figure 37](#), enter **Z** in Block 9. Enter corrected information in Blocks 10, 11, and 21. Enter a brief explanation for the amendment in Block 14. Forward the Seller's Original part of the amended AD-838 to the vendor.

Amending Blocks 15, 16, And 28

In this example in [Figure 38](#), enter the agency fund code in Block 7. If FS, also enter unit code in Block 6. Enter a unique amendment number in Block 9, the line item number (Block 12) related to the budget object or accounting line number to be changed, the new budget object code (Block 15), the accounting classification in Block 29 when not used on the initial order or any previous amendments, and a subsequent accounting line number in Block 28 when the accounting classification in Block 29 was not used on the initial order or any previous amendments.



Block 16 must match the accounting line numbers (Block 28) or indicate an **X**.

The Seller's Original part of the amended AD-838 is not forwarded to the vendor.

FOR AGENCY USE ONLY			UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER																
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE 03/31/1997		5 SF-281		6 UNIT CODE		7 FUND CODE		8 ORDER NUMBER 40-XXXX-7-8		9 SUB. 01			
9a TYPE PURCHASE (Check one) <input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER				9b SELLER'S IDENT. NO.				9c FORM 1099 <input type="checkbox"/> NO <input type="checkbox"/> YES				9d TAXPAYER'S IDENT. NO.							
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) Sample Corp. 10 South St. Anytown, LA 70074-2116 504-227-1111								SHIP TO ▶		11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance USDA, National Finance Center 250 TANO Bldg. New Orleans, LA 70129-2238									
								PHONE (A/C & No.) 504-123-2870		Check One ▶ FTS ▶		COMM ▶							
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
				Consignee Delivery Address Has Been Changed															
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																			
21 F.O.B. POINT				22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/PAYMENT CODE ▶				Sub-Total ▶		25					
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)				24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL ▶		27					
28 ACC LINE		29 ACCOUNTING CLASSIFICATION																	
- 2 -		A 5		B 10		C 5 3		D 4		E 1 4 1 2		30 DISTRIBUTION 2		31 AMOUNT					
31a ISSUING OFFICE NAME AND ADDRESS USDA , National Finance Center P.O. Box 60000 New Orleans, LA 70160-0001								31b ORDERED BY (Name and Title) Mary Smith											
								31c COMMERCIAL PHONE (Area Code and Number) 504-112-2222						31d FTS PHONE NO.					
								31e AUTHORIZED SIGNATURE											
NFC																			
FORM AD-838-7 (Rev. 7/90)																			

Figure 35. Form AD-838 (Amendment) (sample)

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER																	
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE 02/14/1997		5 SF-281 ER		6 UNIT CODE		7 FUND CODE		8 ORDER NUMBER 40-XXXX-7-107		9 SUB. 01					
9a TYPE PURCHASE (Check one) <input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER				9b SELLER'S IDENT. NO.				9c FORM 1099 <input type="checkbox"/> NO <input type="checkbox"/> YES				9d TAXPAYER'S IDENT. NO.									
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) Office Equipment, Inc. P.O. Box 600 Anytown, IL 60647-1234 312-227-3333						SHIP TO ▶		11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance USDA, Agricultural Research Service Western Regional Research Center 800 Sample St. Anytown, CA 42421-3456													
						PHONE (A/C & No.) 111-522-3333				Check One ▶ FTS ▶				COMM ▶							
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT			
				The original Purchase Order showed no discount terms. Discount terms should have been as indicated below.																	
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																					
21 F.O.B. POINT						22 DISCOUNT AND/OR NET PAYMENT TERMS 2% 10 days net 20				22a TYPE COMMODITY/PAYMENT CODE ▶				Sub-Total ▶		25					
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)						24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL ▶		27					
28 ACC LINE		29 ACCOUNTING CLASSIFICATION																30 DISTRIBUTION		31 AMOUNT	
- 2		A 5		B 10		C 5 3		D 4		E 1 4 1 2		2									
31a ISSUING OFFICE NAME AND ADDRESS USDA - ARS Western Regional Research Center 800 Sample St. Anytown, CA 42421-3456										31b ORDERED BY (Name and Title) Mary Smith, Purchasing Agent											
										31c COMMERCIAL PHONE (Area Code and Number) 415-486-1222										31d FTS PHONE NO.	
										31e AUTHORIZED SIGNATURE											

Figure 36. Form AD-838 (Amendment To Block 5, SF-281 Code, And Block 22, Discount And/Or Net Payment Terms) (sample)

FOR AGENCY USE ONLY			UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER																
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE 01/12/1997		5 SF-281		6 UNIT CODE		7 FUND CODE		8 ORDER NUMBER 43-XXXX-7-15		9 SUB. Z			
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.							
<input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER								<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES											
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) Ryder Rental 168 Brookshire St. Anytown, TX 78213-1234 512-780-1234								SHIP TO ▶		11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance USDA, APHIS, PPQ 200 E. Nopal, Suite 202 Sample, TX 78801-4567									
								PHONE (A/C & No.) 312-278-3333		Check One ▶ FTS ▶		COMM ▶							
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
				This purchase order is amended to show correct seller's address and FOB point per telecon of this date with Mr. John Brown. All other provisions remain the same.															
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																			
21 F.O.B. POINT Destination				22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/PAYMENT CODE ▶				Sub-Total ▶		25					
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)				24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL ▶		27					
28 ACC LINE		29 ACCOUNTING CLASSIFICATION																	
		A		B		C		D		E		30 DISTRIBUTION		31 AMOUNT					
- 2		5		10		5 3		4		1 4 1 2		2							
31a ISSUING OFFICE NAME AND ADDRESS USDA, APHIS, FSO 100 North Sixth St. Anytown, MN 55403-4567								31b ORDERED BY (Name and Title) Jane Smith, Purchasing Agent											
								31c COMMERCIAL PHONE (Area Code and Number) 612-349-1234				31d FTS PHONE NO.							
								31e AUTHORIZED SIGNATURE											
NFC																			
FORM AD-838-7 (Rev. 7/90)																			

Figure 37. Form AD-838 (Amendment To Block 10, Seller's Name, Address, And Phone No., Block 11, Consignee, Address, ZIP Code, and Place of Inspection and Acceptance, And Block 21, For FOB Point) (Applicable Only To The Seller) (sample)

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER															
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE		5 SF-281		6 UNIT CODE		7 FUND CODE TS		8 ORDER NUMBER 40-XXXX-7-350		9 SUB. 01			
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.							
<input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER								<input type="checkbox"/> NO <input type="checkbox"/> YES ►											
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)								11 SHIP TO ►		Consignee, Address, Zip Code, and Place of Inspection and Acceptance									
								PHONE (A/C & No.)		Check One ► FTS ►				COMM ►					
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
04								2629		04									
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																			
21 F.O.B. POINT				22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/PAYMENT CODE ►				Sub-Total ►		25					
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)				24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL ►		27					
28 ACC LINE		29 ACCOUNTING CLASSIFICATION																	
2		A		B		C		D		E		30 DISTRIBUTION		31 AMOUNT					
04		5		10		5 3		4		1 4 1 2		2							
		XXXXX		XXXXX															
31a ISSUING OFFICE NAME AND ADDRESS										31b ORDERED BY (Name and Title)									
USDA , ARS Western Regional Research Center 800 Buchanan St. Anytown, CA 94710-4567										Mary Brown, Purchasing Agent									
										31c COMMERCIAL PHONE (Area Code and Number)				31d FTS PHONE NO.					
										123-456-7890									
31e AUTHORIZED SIGNATURE																			
NFC																			
FORM AD-838-7 (Rev. 7/90)																			

Figure 38. Form AD-838 (Amendment To Block 15, Budget Object, Block 16, Accounting Line, And Block 28, Accounting Line) (sample)

Amending Blocks 17 And 19

In this example in [Figure 39](#), enter a unique numeric amendment number in Block 9, the line item number (Block 12) of the item being changed, the new quantity (Block 17), the new unit price (Block 19), the new amount (Block 20), and a brief description of the amendment in Block 14. Forward the Seller's Original part of the amended AD-838 to the vendor.



Quantity can be increased only as allowed by the FAR. Quantity can be reduced to the limit that is still to be delivered. Changes to a unit price can be made after the goods are received, however, the line item value cannot be reduced below the amount already paid.

Amending Blocks 28, 29, And 30

In this example in [Figure 40](#), enter a fund code in Block 7, also the unit code in Block 6 if FS. Enter a unique numeric amendment number in Block 9, the accounting line number (Block 28) for which the distribution is to be changed. It is not necessary to reenter the accounting line data. Enter the new distribution for the line in Block 30, the accounting line number for which the accounting classification and distribution are to be changed in Block 28, and the new accounting classification line in Block 29. This replaces the accounting originally entered for Accounting Line 02. Enter the new distribution for the line in Block 30. The total distribution must still equal 100 percent (i.e., the distribution on the initial order plus any changes that were made through the issuance of amendments). The Seller's Original part of the amended AD-838 is not forwarded to the vendor.

Amending Blocks 12 And 14 To Procure Additional Goods Or Services

In this example in [Figure 41](#), enter a unique numeric amendment number in Block 9. Enter the additional line item numbers in Block 12 that are consecutive to those on the initial order and are not duplicates.

In this case, the discount is applicable to the additional line items and is indicated to the seller with no action code in Block 13. In reporting this information to NFC, enter the new total volume discount opposite the action code (V). The new amount of \$49.75 replaces the old amount of \$37.25.

The sub-total (Block 25) is optional. In this example, the total of the additional items, minus the additional discount (\$12.50) was entered in this block.

In this case, Line Item 04 is charged to an accounting line on the initial order, therefore, it is not required in Blocks 28 and 29. Line Item 05 is charged to a new accounting classification, therefore, data must be entered in Blocks 28 and 29.



When adding new lines of accounting, always complete Block 7, if FS, also complete Block 6.

Block 14 of this example describes how to indicate information that is only relevant to NFC. The Seller's Original part of the amended AD-838 is forwarded to the vendor.

FOR AGENCY USE ONLY			UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER																		
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE 11/29/1996		5 SF-281 6 UNIT CODE		7 FUND CODE		8 ORDER NUMBER 40-XXXX-7-103		9 SUB. 01							
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099 <input type="checkbox"/> NO <input type="checkbox"/> YES				9d TAXPAYER'S IDENT. NO.									
<input type="checkbox"/> PURCHASE ORDER				<input type="checkbox"/> DELIVERY ORDER																	
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) Forma Scientific, Inc. P.O. Box 100 Anytown, IL 60647-1234 312-227-1120								SHIP TO ▶		11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance USDA, ARS Western Regional Research Center 800 Buchanan St. Anytown, CA 94710-4567											
								PHONE (A/C & No.) 512-345-6788		Check One ▶ FTS ▶		COMM ▶									
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT			
02				Refer to 40-XXXX-7-103 and amend as follows:								1				260.00		260 00			
03				Spindle Rack Headers – Change Unit Price to \$260.00								4				35.00		140 00			
				Glassware Basket – Multi-purpose – Change quantity ordered to 4																	
				Previous Total												\$398.00					
				Increase												50.00					
				New Total												\$448.00					
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)()).																					
21 F.O.B. POINT				22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/ PAYMENT CODE ▶				Sub-Total ▶		25							
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)				24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL ▶		27							
28 ACC LINE		29 ACCOUNTING CLASSIFICATION														30 DISTRIBUTION		31 AMOUNT			
- 2 -		A 5		B 10		C 5 3		D 4		E 1 4 1 2		2									
31a ISSUING OFFICE NAME AND ADDRESS USDA , ARS Western Regional Research Center 800 Buchanan St. Anytown, CA 94710-4567								31b ORDERED BY (Name and Title) John Doe, Purchasing Agent								31c COMMERCIAL PHONE (Area Code and Number) 512-345-6788				31d FTS PHONE NO.	
								31e AUTHORIZED SIGNATURE													
NFC																FORM AD-838-7 (Rev. 7/90)					

Figure 39. Form AD-838 (Amendment Changing Block 17, Quantity, And Block 19, Unit Price) (sample)

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER															
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE 12/31/1996		5 SF-281		6 UNIT CODE 17		7 FUND CODE TS		8 ORDER NUMBER 40-XXXX-7-522		9 SUB. 01			
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.							
<input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER								<input type="checkbox"/> NO <input type="checkbox"/> YES ▶											
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)								11 SHIP TO ▶		Consignee, Address, Zip Code, and Place of Inspection and Acceptance									
								PHONE (A/C & No.)		Check One ▶ FTS ▶		COMM ▶							
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																			
21 F.O.B. POINT				22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/PAYMENT CODE ▶				Sub-Total ▶		25					
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)				24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL ▶		27					
28 ACC LINE		29 ACCOUNTING CLASSIFICATION																	
		A		B		C		D		E		30 DISTRIBUTION		31 AMOUNT					
- 2		5		10		5 3		4		1 4 1 2		2							
01										X XXXX		X		20					
02														30					
31a ISSUING OFFICE NAME AND ADDRESS										31b ORDERED BY (Name and Title)									
USDA , FS Wenatchee National Forest P.O. Box 811 301 Yakima Anytown, WA 32801-1233										Marvin Jones, Purchasing Agent									
										31c COMMERCIAL PHONE (Area Code and Number)				31d FTS PHONE NO.					
										509-662-1234									
										31e AUTHORIZED SIGNATURE									
										FORM AD-838-7 (Rev. 7/90)									
NFC																			

Figure 40. Form AD-838 (Amendment Changing Block 28, Accounting Line Block 29, Accounting Classification, And Block 30, Distribution) (sample)

FOR AGENCY USE ONLY			UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER																
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE 01/29/1997		5 SF-281		6 UNIT CODE		7 FUND CODE T5		8 ORDER NUMBER 40-XXXX-7-111		9 SUB. 01			
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.							
<input type="checkbox"/> PURCHASE ORDER				<input type="checkbox"/> DELIVERY ORDER				<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES											
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)								11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance											
Forma Scientific, Inc. P.O. Box 100 Anytown, IL 60647-1234 312-227-1120								<div style="text-align: center;"> SHIP TO </div> USDA, Agricultural Res. Service Western Regional Research Center 800 Buchanan St. Anytown, CA 94710-4567											
								PHONE (A/C & No.) Check One <input type="checkbox"/> FTS <input checked="" type="checkbox"/>											
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
04				Fume-Gard Cover				2629		01		1		EA		65.00		65 00	
05				Dual flowmeter				2629		02		1		EA		185.00		185 00	
				Less 5% Discount (\$12.50)															
				<u>FOR NFC USE ONLY</u>															
		V		(This now becomes the entire volume discount for the total order)														-49 75	
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																			
21 F.O.B. POINT				22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/PAYMENT CODE				Sub-Total		25		200		25	
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)				24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL		27					
28 ACC LINE		29 ACCOUNTING CLASSIFICATION																	
		A		B		C		D		E				30 DISTRIBUTION		31 AMOUNT			
- 2		5		10		5 3		4		1 4 1 2				2					
02		XXXXX		XXXXX															
31a ISSUING OFFICE NAME AND ADDRESS								31b ORDERED BY (Name and Title)											
USDA , ARS Western Regional Research Center 800 Buchanan St. Anytown, CA 94710-4567								Ralph Smith, Purchasing Agent											
								31c COMMERCIAL PHONE (Area Code and Number)								31d FTS PHONE NO.			
								415-486-1222											
								31e AUTHORIZED SIGNATURE											
NFC																			
FORM AD-838-7 (Rev. 7/90)																			

Figure 41. Form AD-838 (Amendment For Additional Goods Or Services) (sample)

Amending Action Codes T And N

In this example in [Figure 42](#), enter a unique numeric amendment number in Block 9, a complete description of the amendment in Block 14, the line item number (Block 12), and action code (Block 13) of the item for which the amount is to be changed. In this case, to record the trade-in (T), both line item number and action code must be entered because the trade-in is associated with a line item.

Enter the new dollar amount of the trade-in (T) in Block 20. In this example, the original amount was \$200. Only one console instead of two are being traded-in. The new amount is \$100.

To record the set-up (N) increase, enter the action code (Block 13) for the amount to be charged. Since the set-up charge was not associated with a line number on the initial order, no line item number should be entered.

Enter the new amount for nonmerchandise (N) cost in Block 20. In this example, the amount on the initial order was erroneously shown as \$200.00, however, the cost should have been \$400.00 and is now indicated on this amendment. The Seller's Original part of the amended AD-838 is forwarded to the vendor.

Canceling All Order Types

In this example in [Figure 43](#), enter *CN* in Block 9 to cancel the entire order (the initial order and any amendments) effective on the processing date of the cancellation order. All other data as shown on the example must be indicated. When canceling a Type 42 order, be sure to indicate the last authorized automatic payment on Block 14 of the AD-838. For example, Last Authorized Payment 10/31/96. The cancellation is effective 11/01/96. The Seller's Original part of the amended AD-838 is forwarded to the vendor.



Orders can only be canceled or terminated in accordance with the FAR.

Canceling A Line Item Using Action Code X

In this example in [Figure 44](#), enter a unique numeric amendment number in Block 9, the number of the line item to be canceled in Block 12, *X* in Block 13, and a brief explanation of the purpose for the amendment in Block 14. The Seller's Original part of the AD-838 is forwarded to the vendor.

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER																							
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE 11/29/1996		5 SF-281 6 UNIT CODE		7 FUND CODE		8 ORDER NUMBER 41-XXXX-7-2562		9 SUB. CN													
9a TYPE PURCHASE (Check one) <input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER				9b SELLER'S IDENT. NO.		9c FORM 1099 <input type="checkbox"/> NO <input type="checkbox"/> YES				9d TAXPAYER'S IDENT. NO.																	
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.) World Society of Chemistry Blackhouse Road Letchworth, Hertfordshire SG6 1HN United Kingdom						11 SHIP TO ▶		11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance USDA – ARS Eastern Regional Res. Center 600 E. Mermaid Lane Anytown, PA 19118-1234																			
						PHONE (A/C & No.) 215-233-1234		Check One ▶ FTS ▶		COMM ▶																	
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT									
				Cancel The Entire Purchase Order																							
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																											
21 F.O.B. POINT				22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/PAYMENT CODE ▶				Sub-Total ▶		25													
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)				24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL ▶		27													
28 ACC LINE		29 ACCOUNTING CLASSIFICATION														30 DISTRIBUTION		31 AMOUNT									
- 2		A 5		B 10		C 5 3		D 4		E 1 4 1 2		- 2															
31a ISSUING OFFICE NAME AND ADDRESS USDA – ARS Eastern Regional Research Center 600 E. Mermaid Lane Anytown, CA 19118-1238																31b ORDERED BY (Name and Title) John Doe, Purchasing Agent				31c COMMERCIAL PHONE (Area Code and Number) 215-233-1234				31d FTS PHONE NO.			
31e AUTHORIZED SIGNATURE																											
NFC																FORM AD-838-7 (Rev. 7/90)											

Figure 43. Form AD-838 (Amendment Canceling Entire Purchase Order) (sample)

FOR AGENCY USE ONLY			UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER																		
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE 12/30/1996		5 SF-281		6 UNIT CODE		7 FUND CODE		8 ORDER NUMBER 40-XXXX-7-103		9 SUB. 02					
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.									
<input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER								<input type="checkbox"/> NO <input type="checkbox"/> YES													
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)								SHIP TO ▶		11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance											
Forma Scientific, Inc. P.O. Box 100 Sample, IL 60647-1234 312-227-1120										USDA, ARS Western Regional Research Center 800 Buchanan St. Anytown, CA 94710-4567											
								PHONE (A/C & No.)		415-486-3333		Check One ▶		FTS ▶		COMM ▶					
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT			
01		X		Please cancel Forma-Sol Detergent (75 lb. drum) since this item is not available at present.																	
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																					
21 F.O.B. POINT						22 DISCOUNT AND/OR NET PAYMENT TERMS						22a TYPE COMMODITY/PAYMENT CODE ▶				Sub-Total ▶		25			
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)						24 SHIP VIA						26 ESTIMATED FREIGHT				TOTAL ▶		27			
28 ACC LINE		29 ACCOUNTING CLASSIFICATION																30 DISTRIBUTION		31 AMOUNT	
- 2 -		A 5		B 10		C 5 3		D 4		E 1 4 1 2				2							
31a ISSUING OFFICE NAME AND ADDRESS										31b ORDERED BY (Name and Title)											
USDA, ARS Western Regional Research Center 800 Buchanan St. Anytown, CA 94710-4567										John Doe, Purchasing Agent											
										31c COMMERCIAL PHONE (Area Code and Number)				31d FTS PHONE NO.							
										415-486-3333											
31e AUTHORIZED SIGNATURE																					
NFC																					
FORM AD-838-7 (Rev. 7/90)																					

Figure 44. Form AD-838 (Amendment To Cancel A Line Item Using Action Code, X)
(sample)

Amending Type 43 In Response To PRCH Report 43–54

NFC prepares and forwards a funds depleted notice to the procurement office when obligated funds for a Type 43 exceeds tolerance (see [Exhibit 17](#)). If the obligation is to be increased, the agency prepares an amendment ([Figure 45](#)) including a unique numeric amendment number in Block 9, the line item number from Block 12 on the initial order, the new quantity (Block 17) or if unchanged, the same quantity, the new unit price (Block 19), and in Block 20 the amount. In this case, an additional \$1,082.54 is allowed before another notice is sent (total obligated, \$1200.00; less total paid, \$117.46; = \$1,082.54 funds remaining for the order). Data in Blocks 25 and 27 are optional. The Seller's Original part of the amended AD–838 is forwarded to the vendor.

Canceling The Memo Obligation Used On Type 42 Or Type 43

In the example in [Figure 46](#), enter *CM* (see [Appendix E](#)) in Block 9.



The cancellation of a Memo obligation does not cancel the order with the vendor.

Once a memo option is issued, only the memo is canceled. A change from one memo feature to another memo feature is not allowed. Invoices will be paid as authorized. The Seller's Original part of the amended AD–838 is not forwarded to the vendor.

Canceling The Withholding Partial Payment Feature

In the example in [Figure 47](#), enter *CW* (see [Appendix E](#)) in Block 9 to cancel the withholding partial payments that was previously established. Enter name, title, and telephone number of the procurement agent authorizing the change. The Seller's Original part of the AD–838 is not forwarded to the vendor.



The cancellation of the withholding feature does not cancel the order with the vendor, only the special feature of withholding partial payments is canceled. Invoices will be paid as authorized.

The Seller's Original part of the amended AD–838 is not forwarded to the vendor.

Changes Requested By NFC

NFC monitors invoices to ensure that the obligation is not exceeded. This is accomplished by computer edits on both the obligating order and the vendor's invoice. When a tolerance failure exists, NFC contacts the procurement office for an amendment. If the amendment is determined to be appropriate, the next unique numeric amendment number is entered in Block 9. The amendment is entered in PRCH by NFC to change the required data elements. If the amendment is not appropriate, the procurement officer authorizes NFC to deduct the discrepancy.

FOR AGENCY USE ONLY			UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER														
1 PAGE NO.		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE		5 SF-281		6 UNIT CODE		7 FUND CODE		8 ORDER NUMBER 43-XXXX-7-530		9 SUB. 01	
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.					
<input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER								<input type="checkbox"/> NO <input type="checkbox"/> YES ▶									
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)								<div style="text-align: center;">11 SHIP TO ▶</div>									
								Consignee, Address, Zip Code, and Place of Inspection and Acceptance PHONE (A/C & No.) _____ Check One ▶ FTS ▶ _____ COMM ▶ _____									
12 LINE ITEM	13 ACT CODE	14 DESCRIPTION						15 BUDGET OBJECT	16 ACC LINE	17 QUANTITY	18 UNIT ISSUE	19 UNIT PRICE	20 AMOUNT				
01										12	MO	100.00	1200 00				
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)(_____).																	
21 F.O.B. POINT								22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/PAYMENT CODE ▶		25 Sub-Total ▶			
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)								24 SHIP VIA				26 ESTIMATED FREIGHT		27 TOTAL ▶			
28 ACC LINE	29 ACCOUNTING CLASSIFICATION												30 DISTRIBUTION		31 AMOUNT		
2	A 5	B 10	C 5 3		D 4		E 1 4 1 2				2						
31a ISSUING OFFICE NAME AND ADDRESS USDA – ARS Snake River Conservation Res. Route 1, Box 186 Anytown, ID 83341-1234								31b ORDERED BY (Name and Title) John Doe, Purchasing Agent								31c COMMERCIAL PHONE (Area Code and Number) 208-423-1212	
								31d FTS PHONE NO.								31e AUTHORIZED SIGNATURE	
NFC														FORM AD-838-7 (Rev. 7/90)			

Figure 45. Form AD-838 (Amendment In Response To PRCH Report 43-54, Funds Depleted On Purchase Order Notice) (sample)

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER															
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE 02/28/1997		5 SF-281 6 UNIT CODE		7 FUND CODE		8 ORDER NUMBER 43-XXXX-7-10		9 SUB. CM					
9a TYPE PURCHASE (Check one) <input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER				9b SELLER'S IDENT. NO.		9c FORM 1099 <input type="checkbox"/> NO <input type="checkbox"/> YES				9d TAXPAYER'S IDENT. NO.									
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)						11 SHIP TO ▶		11 Consignee, Address, Zip Code, and Place of Inspection and Acceptance											
								PHONE (A/C & No.)											
								Check One ▶ FTS ▶ COMM ▶											
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																			
21 F.O.B. POINT				22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/PAYMENT CODE ▶				Sub-Total ▶		25					
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)				24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL ▶		27					
28 ACC LINE		29 ACCOUNTING CLASSIFICATION														30 DISTRIBUTION		31 AMOUNT	
- 2		A 5		B 10		C 5 3		D 4		E 1 4 1 2		- 2							
31a ISSUING OFFICE NAME AND ADDRESS USDA - FS Coronado National Forest 301 W. Congress Anytown, AZ 85701-1234								31b ORDERED BY (Name and Title) John Doe, Purchasing Agent											
								31c COMMERCIAL PHONE (Area Code and Number) 602-629-6777				31d FTS PHONE NO.							
								31e AUTHORIZED SIGNATURE											
NFC																			
FORM AD-838-7 (Rev. 7/90)																			

Figure 46. Form AD-838 (Amendment Canceling Memo Obligation Feature) (sample)

FOR AGENCY USE ONLY				UNITED STATES DEPARTMENT OF AGRICULTURE PURCHASE ORDER															
1 PAGE NO. 1 OF 1		2 RECEIVING OFFICE NO.		3 CONTRACT NUMBER		4 ORDER DATE		5 SF-281		6 UNIT CODE		7 FUND CODE		8 ORDER NUMBER 40-XXXX-7-642		9 SUB. CW			
9a TYPE PURCHASE (Check one)				9b SELLER'S IDENT. NO.				9c FORM 1099				9d TAXPAYER'S IDENT. NO.							
<input type="checkbox"/> PURCHASE ORDER <input type="checkbox"/> DELIVERY ORDER								<input type="checkbox"/> NO <input type="checkbox"/> YES ►											
10 TO: (Seller's Name, Address, City, State, Zip Code, and Phone No.)								11 SHIP TO ►		Consignee, Address, Zip Code, and Place of Inspection and Acceptance									
								PHONE (A/C & No.)		Check One ► FTS ►		COMM ►							
12 LINE ITEM		13 ACT CODE		14 DESCRIPTION				15 BUDGET OBJECT		16 ACC LINE		17 QUANTITY		18 UNIT ISSUE		19 UNIT PRICE		20 AMOUNT	
20a THIS PURCHASE ORDER NEGOTIATED PURSUANT TO AUTHORITY OF 41 U.S.C. 252(c)().																			
21 F.O.B. POINT				22 DISCOUNT AND/OR NET PAYMENT TERMS				22a TYPE COMMODITY/PAYMENT CODE ►				Sub-Total ►		25					
23 DELIVER TO F.O.B. POINT ON OR BEFORE (Date)				24 SHIP VIA				26 ESTIMATED FREIGHT				TOTAL ►		27					
28 ACC LINE		29 ACCOUNTING CLASSIFICATION														30 DISTRIBUTION		31 AMOUNT	
- 2 -		A 5		B 10		C 5 3		D 4		E 1 4 1 2		2							
31a ISSUING OFFICE NAME AND ADDRESS USDA , ARS 1700 SW 23rd Dr. Anytown, FL 32604-1234								31b ORDERED BY (Name and Title) Jane Doe, Purchasing Agent								31c COMMERCIAL PHONE (Area Code and Number) 112-345-1234		31d FTS PHONE NO.	
								31e AUTHORIZED SIGNATURE											
NFC																FORM AD-838-7 (Rev. 7/90)			

Figure 47. Form AD-838 (Amendment Canceling The Withholding Partial Payment Feature) (sample)

Exhibits

This section includes example of NFC letters/memorandums and PRCH reports

1. Form NFC-825, Letter To Vendor (sample)



United States
Department of
Agriculture

Office of the
Chief Financial
Officer

National
Finance
Center

P.O. Box 60000
New Orleans
Louisiana 70160

Gentlemen:

Your request for a Blanket Tax Exemption Certificate is acknowledged.

The U.S. Department of Agriculture, National Finance (NFC), is a part of the Federal Government. Taxes imposed on the purchaser by states and municipalities and political subdivisions thereof are exempt. Merchandise or services purchased by Government agencies serviced by NFC are for official use only and are not purchased for resale purposes.

This letter will serve as your authority to render invoices on a tax exempt basis for any merchandise or services purchased from your firm by NFC serviced agencies.

Sincerely,

Head, Purchase Order Section

Attachment

"An Equal Opportunity Employer"

FORM NFC-825 (Revised 3/97)

2. PRCHA1 Report 01, Rental Purchase Agreements – Type 42 To Be Reestablished For FY 19XX (sample)

UNITED STATES DEPARTMENT OF AGRICULTURE		NATIONAL FINANCE CENTER	P.O. BOX 60000 NEW ORLEANS LOUISIANA 70160
			PRCHA1-01 RUN DATE 1997
(REQ. #) 12F352	USDA SOIL CONS SVC ADMIN OFFI FED BLDG RM 633 CALLE CHARDON GPO BOX 4868 SAN JUAN PR 00936		
SUBJECT: REESTABLISHMENT OF TYPE 42 PURCHASE ORDERS			
THE ACCOMPANYING REPORT IS A TURNAROUND LISTING OF TYPE 42 PURCHASE ORDERS (FORM AD-838) WHICH NFC HAS IDENTIFIED AS THOSE YOU MAY WISH REESTABLISHED INTO THE NEXT FISCAL YEAR. THIS LISTING SHOULD BE REVIEWED TO ENSURE THAT THE ORDER IS REESTABLISHED CORRECTLY FOR FISCAL YEAR 1997.			
TO REESTABLISH A PURCHASE ORDER, ANNOTATE THE "REVISED RATE" COLUMN AS FOLLOWS:			
- ENTER "OK" FOR ORDERS THAT HAVE NO CHANGES AND ARE TO BE REESTABLISHED.			
- ENTER THE NEW RATE WHEN THE ORDER IS TO BE REESTABLISHED WITH A DIFFERENT AMOUNT. LINE THROUGH AND CORRECT THE "TOTAL OBLIGATION" AMOUNT.			
TO DELETE THE PURCHASE ORDER, ENTER "DELETE" IN THE "REVISED RATE" COLUMN AND THE ORDER WILL NOT BE REESTABLISHED.			
WHEN REESTABLISHING A PURCHASE ORDER, PLEASE EXAMINE ALL DATA THOROUGHLY:			
- WHEN A TAXPAYER'S IDENTIFICATION NUMBER IS REQUIRED FOR FORM 1099 TAX REPORTING PURPOSES, ENSURE THAT THE SSN OR EIN IS INCLUDED IN THE "TIN NO." COLUMN AND VERIFY ITS ACCURACY.			
- CHANGE THE SF-281 CODE IN THE COLUMN AT THE FAR RIGHT OF THE LISTING TO CONFORM WITH THE MATRIX PUBLISHED IN THE PURCHASE ORDER SYSTEM PROCEDURE, TITLE II, CHAPTER 5, SECTION 1, APPENDIX D, PAGE 3.			
- IF A PAYMENT CYCLE IS CHANGED, INCLUDE PAYMENT START DATE AND ENDING DATE. ALSO, VERIFY NUMBER OF PAYMENTS.			
- MAKE ANY CHANGES TO ACCOUNTING CLASSIFICATION, ACCOUNTING DISTRIBUTION, NUMBER OF PAYMENTS, PAYMENT START DATE, ETC., IN THE APPROPRIATE COLUMN ON THE LISTING.			

2. PRCHA1 Report 01

SINCE THIS TURNAROUND LISTING WILL FUNCTION AS A PROCUREMENT DOCUMENT IN LIEU OF A COMPLETED AD-838, WE REQUIRE THAT AN AUTHORIZED PROCUREMENT OFFICER COMPLETE AND SIGN THE CERTIFICATION STATEMENT PRINTED ON THE FIRST PAGE. PLEASE PROVIDE ALSO, ON THE FIRST PAGE, THE NAME AND TELEPHONE NUMBER OF THE PERSON TO BE CONTACTED FOR QUESTIONS OR CLARIFICATIONS. WE REQUEST THAT YOU RETURN ONE COPY OF THE ANNOTATED LISTING BY TO:

USDA - NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

ATTN: PURCHASE ORDER SECTION

AT THE BEGINNING OF THE NEW FISCAL YEAR, THE PURCHASE ORDER SYSTEM WILL DUPLICATE THOSE PURCHASE ORDERS MARKED "OK" AND REESTABLISH THEM AS NEW ORDERS IN ACCORDANCE WITH INFORMATION REFLECTED ON THE TURNAROUND LISTING. WE WILL RENUMBER THE NEW PURCHASE ORDER BY CHANGING THE FISCAL YEAR DESIGNATION (THE 7TH DIGIT OF THE PURCHASE ORDER NUMBER) AND ROLL THE ACCOUNTING TO FISCAL YEAR 1996. THEREFORE, DO NOT REUSE THIS ORDER NUMBER FOR ANY OTHER PURCHASE ORDER.

ANY PURCHASE ORDER LISTED ON THIS TURNAROUND REPORT THAT IS NOT RETURNED BY WILL BE MARKED FOR DELETION.

A PROOF LIST OF ALL ORDERS REESTABLISHED WILL BE MAILED TO YOUR OFFICE AT A LATER DATE. AT THAT TIME, PLEASE VERIFY THAT ALL CHANGES WERE MADE AS REQUESTED.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE NFC PURCHASE ORDER SECTION AT 504-255-4724.

ATTACHMENT

Exhibits 149

3. PRCHA3 Report 01, Rental Purchase Agreements – Type 42 Reestablished For FYXX (proof list) (sample)

PRCHA1 REPORT 02									
RENTAL PURCHASE AGREEMENTS - TYPE 42									
REESTABLISHED FOR FY 1997									
FOREST SERVICE									
PAGE 1									
DATE: 05/03/97									
PO NUMBER / LESSOR	SUB	ACCOUNTING CLASS	DIST %	FY 1997 RATE	X	NO OF PAYMENTS	= TOTAL OBLIG	PYMT START DATE	TIN NO
42-0000-6-0044	00	000000000000000000	100	126.23		12	1,514.76	10-30-95	0000000000
C & D WAREHOUSE									
1818 MINNESOTA									
BILLINGS MT 59101									
42-0000-6-0145	00	000000000000000000	100	150.00		01	150.00	09-30-96	0000000000
LEMMON TV ASSOCIATIO									
MAIN STREET									
LEMMON SD 57638									
42-0000-6-0062	00	000000000000000000	100	360.00		01	360.00	09-30-96	0000000000
STARK COUNTY									
P.O. DRAWER 130									
DICKINSON ND 58601									
TOTALS: NO POS-- 3									

4. PRCHA4 Report 01, Subscriptions To Be Renewed (sample)

UNITED STATES	NATIONAL	P.O.BOX 60000
DEPARTMENT	FINANCE	NEW ORLEANS
OF AGRICULTURE	CENTER	LOUISIANA 70160

PRCHA4-01		
RUN DATE 03/04/97		
(REC. #)	USDA FOREST SERVICE MOUNT HO	
120F10	TIMBER LAKE CONSERVATION CENTER	
	59868 E HIGHWAY 224	
	ESTACADA OR 97023	
SUBJECT: SUBSCRIPTIONS TO BE RENEWED		
THE ACCOMPANYING REPORT IS A TURNAROUND LISTING OF FORM AD-838		
TYPE 41 SUBSCRIPTION PURCHASE ORDERS THAT WILL EXPIRE WITHIN 90		
DAYS, WHICH YOU MAY WISH RENEWED FOR THE NEXT CALENDAR YEAR.		
THIS LISTING SHOULD BE REVIEWED TO ENSURE THAT THE ORDER IS		
RENEWED CORRECTLY.		
TO RENEW A PURCHASE ORDER, ADVISE THE VENDOR THAT YOU WISH TO		
REORDER THE SUBSCRIPTION AND, ANNOTATE THE "RENEWAL DELETE IND		
COLUMN AS FOLLOWS:		
- ENTER "R" FOR ORDERS TO BE RENEWED		
- ENTER THE NEW REVISED ORDER AMOUNT WHEN THE ORDER IS TO BE		
RENEWED WITH A DIFFERENT AMOUNT.		
EXAMINE ALL DATA ON THE RENEWED ORDER THOROUGHLY:		
- LINE THROUGH THE "P" IF SHOWN IN THE "SUB" COLUMN WHEN YOUR		
CONTACT WITH THE VENDOR DISCLOSES THAT AN INVOICE WILL		
BE FORWARDED TO THE NFC. FAILURE TO DO THIS WILL RESULT		
IN AN AUTOMATIC ADVANCE PAYMENT.		
- MAKE ANY CHANGES TO ACCOUNTING CLASSIFICATION,		
ACCOUNTING DISTRIBUTION, AND EXPIRATION DATE IN THE		
APPROPRIATE COLUMN ON THE LISTING.		
- CHANGE THE SF-281 CODE IN THE COLUMN AT THE FAR RIGHT		
OF THE LISTING TO CONFORM WITH THE MATRIX PUBLISHED		
IN THE PURCHASE ORDER SYSTEM PROCEDURE, TITLE II,		
CHAPTER 5, SECTION 1, APPENDIX D, PAGE 3.		
TO DELETE THE PURCHASE ORDER, ENTER "D" IN THE "RENEWAL/DELETE		
IND" COLUMN AND THE ORDER WILL NOT BE RENEWED.		
SINCE THIS TURNAROUND LISTING WILL FUNCTION AS A PROCUREMENT		
DOCUMENT IN LIEU OF A COMPLETED AD-838, WE REQUIRE THAT AN		
AUTHORIZED PROCUREMENT OFFICER COMPLETE AND SIGN THE CERTIFI-		
CATION STATEMENT PRINTED ON THE FIRST PAGE. PLEASE PROVIDE ALSO,		
USDA-NFC-SHAL3		

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Exhibits 155

7. PRCHB6 Report 01, Open Blanket Purchase Agreements As Of XX/XX/XX (sample)

UNITED STATES DEPARTMENT OF AGRICULTURE	NATIONAL FINANCE CENTER	P.O. BOX 60000 NEW ORLEANS LOUISIANA 70160
PRCHB6-01		
RUN DATE 07/25/96		
(REQ. #) 12F31D	USDA ASCS CARIBBEAN AREA OFFICE PO BOX 11188 FDEZ JUNCOS STATION SAN JUAN PR 00910	
SUBJECT: REESTABLISHMENT OF BLANKET PURCHASE AGREEMENTS		
THE ACCOMPANYING REPORT IS A TURNAROUND LISTING OF FORM AD-838 TYPE 45 BLANKET PURCHASE AGREEMENTS (BPA'S) WHICH ARE ON THE NFC ACTIVE FILES. THIS LISTING SHOULD BE REVIEWED TO ENSURE THAT THE BPA IS REESTABLISHED CORRECTLY FOR FISCAL YEAR 1997.		
TO REESTABLISH A BPA FOR THE NEW FISCAL YEAR, PLEASE EXAMINE ALL DATA THOROUGHLY AND ANNOTATE ONE OF THE FOLLOWING ACTIONS IN THE ACTION INDICATOR COLUMN ON THE PRCHB6, REPORT 01.		
- ENTER "OK" FOR ORDERS TO BE REESTABLISHED.		
- ENTER "CN" TO CANCEL THE BPA WHEN THE ORDER WILL NOT REMAIN VALID FOR THE NEW FISCAL YEAR.		
SINCE THIS TURNAROUND LISTING WILL FUNCTION AS A PROCUREMENT DOCUMENT IN LIEU OF A COMPLETED AD-838, WE REQUIRE THAT AN AUTHORIZED PROCUREMENT OFFICER COMPLETE AND SIGN THE CERTIFI- CATION STATEMENT PRINTED ON THE FIRST PAGE. PLEASE ALSO PROVIDE THE NAME AND TELEPHONE NUMBER OF THE CONTACT PERSON FOR QUESTIONS AND CLARIFICATION.		
WE REQUEST THAT YOU RETURN ONE COPY OF THE ANNOTATED LISTING BY SEPTEMBER 25, 1996, TO:		
USDA, NATIONAL FINANCE CENTER P.O. BOX 60,000 NEW ORLEANS, LA 70160		
ATTN: PURCHASE ORDER SECTION		
AT THE BEGINNING OF THE NEW FISCAL YEAR, THE PURCHASE ORDER SYSTEM WILL RETAIN ORDERS THAT HAVE BEEN ANNOTATED "OK" AND ROLL THE ACCOUNTING (IF STORED) TO FISCAL YEAR 1997.		
NOTE: AFTER THE STORED ACCOUNTING ROLLOVER HAS BEEN COMPLETED BY THE NFC, AGENCIES SUBMITTING INVOICES TO BE CHARGED TO ACCOUNTING OF A PRIOR YEAR MUST SHOW THE ACCOUNTING FOR THAT PRIOR YEAR ON THE AD-838D, BPA - INVOICE-RECEIPT CERTIFICATION; OTHERWISE, THE INVOICES WILL BE CHARGED TO THE STORED ACCOUNTING FOR THE NEW FISCAL YEAR.		

USDA-NFC-SHA13

7. PRCHB6 Report 01 (contd)

A PROOF LIST OF ALL ORDERS REESTABLISHED WILL BE MAILED TO YOUR
OFFICE AT A LATER DATE. AT THAT TIME, PLEASE VERIFY THAT ALL
CHANGES WERE MADE AS REQUESTED.

CHANGES TO THE BPA CAN BE ACCOMPLISHED AT ANY TIME BY
SUBMITTING AN AMENDMENT TO THE NFC.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE PURCHASE
ORDER SECTION AT 504-255-4724.

HEAD, PURCHASE ORDER SECTION

ATTACHMENT

USDA-NFC-SIAL1

7. PRCHB6 Report 01 (contd)

[illegible]

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9. PRCH10-11, Payment Notification (sample)

UNITED STATES NATIONAL P.O.BOX 60000
DEPARTMENT FINANCE NEW ORLEANS
OF AGRICULTURE CENTER LOUISIANA 70160

PRCH10-11

TO: KOSTURAK DESIGN (PMT #1)
103 NELSON AVE
MILL VALLEY CA 94941

DATE: MAY 03, 1997

SUBJECT: PAYMENT NOTIFICATION

GENTLEMEN:

WE HAVE RECEIVED YOUR INVOICE NUMBER 12345 IN THE
AMOUNT OF 1,000.00 FOR PURCHASE ORDER NUMBER 40-0000-7-0030 .
OUR RECORDS INDICATE THAT THIS IS A DUPLICATE INVOICE OR THAT
THIS ORDER IN THE AMOUNT OF 1,000.00 HAS BEEN TOTALLY SCHEDULED
FOR PAYMENT. THE FOLLOWING PAYMENT(S) HAS BEEN APPLIED AGAINST
THIS PURCHASE ORDER AND HAS BEEN OR WILL BE RELEASED ON THE SCHEDULED
PAY DATE INDICATED.

INVOICE	DATE	VENDOR	AMOUNT	PAY DATE
-----	-----	-----	-----	-----
12345	04/15/97	KOSTURAK DESIGN	1,000.00	05/18/97

IF YOU HAVE ANY QUESTIONS CONCERNING THIS MATTER, PLEASE CALL THE
PURCHASE ORDER SECTION AT 504-255-4724 OR (TOLL FREE) 1-800-421-0323.

USDA, NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

10. PRCH10-12, Payment Notification (sample)

UNITED STATES	NATIONAL	P.O. BOX 60000
DEPARTMENT	FINANCE	NEW ORLEANS
OF AGRICULTURE	CENTER	LOUISIANA 70160

DATE: 11/22/96

PRCH10-12

SUBJECT: PAYMENT NOTIFICATION

TO: USDA ARS
PROCUREMENT AND PROPERTY DIVISION
6306 IVY LANE ROOM 838
GREENBELT MD 20770-1433

WE HAVE RECEIVED VENDOR INVOICE NUMBER H026SGBZ06 IN THE
AMOUNT OF \$227.35 FOR PURCHASE ORDER NUMBER 41-0000-6-04414 THIS
PURCHASE ORDER HAS BEEN PAID. OUR RECORDS INDICATE THAT THIS IS A TYPE
41-P ORDER; THEREFORE, A CHECK WAS GENERATED UPON RECEIPT OF YOUR AD-838.
BECAUSE THE CHECK RECIPIENT CARD IDENTIFIES THE PAYMENT BY PURCHASE ORDER
NUMBER INSTEAD OF INVOICE NUMBER, IT IS IMPOSSIBLE, IN MOST CASES, FOR
THE VENDOR TO IDENTIFY AND PROPERLY APPLY THE PAYMENT.

YOU CAN HELP ELIMINATE COSTLY VENDOR INQUIRIES AND COMPLAINTS BY OMITTING
THE "P" IN THE SUB BLOCK WHEN ORDERING SUBSCRIPTIONS, BOOKS, PUBLICATIONS,
ETC., FOR WHICH AN INVOICE WILL BE ISSUED. THE "P" IS TO BE USED ONLY IF
THE VENDOR WILL NOT ISSUE AN INVOICE; E.G., FOR GPO ORDERS UNDER \$25.

IF YOU HAVE ANY QUESTIONS REGARDING THIS MATTER PLEASE CONTACT THE USDA,
NATIONAL FINANCE CENTER, PURCHASE ORDER SECTION, AT 504-255-4724 FOR
ASSISTANCE.

USDA, NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

ATTACHMENT

11. PRCH10-13, Vendor Invoice No. (sample)

UNITED STATES	NATIONAL	P.O. BOX 60000
DEPARTMENT	FINANCE	NEW ORLEANS
OF AGRICULTURE	CENTER	LOUISIANA 70160

DATE: 05/03/97
SUBJECT: VENDOR INVOICE NO. 2594

PRCH10-13
(PURCHASE ORDER NO. 40-0000-6-00)
AC-6:34 7119N3767-008

TO: THE PLANT PEOPLE (IJR ENTERPRISES
30761A RD 216
EXETER CA93221

THE SUBJECT INVOICE CANNOT BE PROCESSED FOR PAYMENT BECAUSE WE
HAVE NO RECORD OF THE REFERENCED PURCHASE ORDER NUMBER. PLEASE CHECK
YOUR RECORDS FOR THE CORRECT PURCHASE ORDER NUMBER. IF THE PURCHASE
ORDER NUMBER HAS BEEN TRUNCATED BY YOUR COMPUTER SYSTEM, PLEASE
REFERENCE OUR COMPLETE PURCHASE ORDER NUMBER IN THE DESCRIPTION BLOCK
ON YOUR INVOICE.

IF YOU DETERMINE THAT THE PURCHASE ORDER NUMBER IS CORRECT, PLEASE
CONTACT THE ORDERING OFFICE FOR VERIFICATION. RESUBMIT YOUR INVOICE,
A COPY OF THE PURCHASE ORDER, AND THIS LETTER TO THE NATIONAL
FINANCE CENTER FOR PROCESSING.

IF YOU HAVE ANY QUESTIONS CONCERNING THIS MATTER, PLEASE CALL THE
PURCHASE ORDER SECTION AT 504-255-4724 OR (TOLL FREE) 1-800-421-0323.

USDA, NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

12. PRCH10-14, Vendor Invoice No. (sample)

UNITED STATES	NATIONAL	P.O.BOX 60000
DEPARTMENT	FINANCE	NEW ORLEANS
OF AGRICULTURE	CENTER	LOUISIANA 70160

DATE: 11/23/96
SUBJECT: VENDOR INVOICE NO. RECD1
LETTER NO: 1

PRCH10-14
(ORDER NO. 60-0000-7-N0007
AC-6.03 0000X0000-000
FENTRESS COUNTY TRUSTEE
INVOICE DATE 111596

TO: USDA FARMERS HOME ADM
207 REAGAN STREET
P O BOX 555
COOKEVILLE, TN. 38503

THE SUBJECT DOCUMENTS ARE BEING HELD IN SUSPENSE BECAUSE WE HAVE NO RECORD OF THE REFERENCED PURCHASE ORDER NUMBER. PLEASE CHECK YOUR RECORDS AND IF THE PURCHASE ORDER NUMBER ON THE INVOICE AND/OR FORM AD-838-B IS INCORRECT, PLEASE CONTACT NFC IMMEDIATELY SO THAT CORRECTIVE ACTION CAN BE TAKEN.

IF YOU DETERMINE THAT THE PURCHASE ORDER NUMBER IS CORRECT, A COPY OF THE PURCHASE ORDER MUST BE SENT TO THE NFC IMMEDIATELY. YOU CAN TELEFAX A COPY TO OUR PURCHASE ORDER SECTION AT 504-255-6136. FAILURE TO COMPLY WITH THIS REQUEST WILL RESULT IN LATE PAYMENT AND POSSIBLE INTEREST PENALTIES.

IF YOU HAVE ANY QUESTIONS CONCERNING THIS MATTER, PLEASE CALL THE PURCHASE ORDER SECTION AT 504-255-4724.

USDA, NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

13. PRCH10-15, Vendor Invoice No. (sample)

UNITED STATES DEPARTMENT OF AGRICULTURE	NATIONAL FINANCE CENTER	P.O. BOX 60000 NEW ORLEANS LOUISIANA 70160
DATE: 08/02/96		
RE: VENDOR INVOICE NO. 3522		
PRCH10-15 (PURCHASE ORDER NO. 40-0X000-5-00625 AC-6:410000X0000-000 FARM & HOME SERVICE INVOICE DATE: 04012 95		
TO: USDA ARS BELTSVILLE AREA OFFICE BIOSCIENCE SERVICE CENTER BUILDING 011A BARC WEST BELTSVILLE MD 20705		
THE ABOVE REFERENCED INVOICE WAS RECEIVED BY THE NFC FOR PAYMENT. HOWEVER, WE DO NOT HAVE A RECORD OF THE PURCHASE ORDER NUMBER IN- DICATED ON THE INVOICE. PLEASE CHECK YOUR RECORDS, AND IF THE PUR- CHASE ORDER NUMBER ON THE INVOICE IS INCORRECT, CONTACT THE NFC IMMEDIATELY SO THAT CORRECTIVE ACTION CAN BE TAKEN.		
IF YOU DETERMINE THAT THE PURCHASE ORDER NUMBER IS CORRECT, A COPY OF THE PURCHASE ORDER MUST BE SENT TO THE NFC IMMEDIATELY. YOU MAY TELEFAX A COPY DIRECTLY TO OUR PURCHASE ORDER SECTION AT 504-255-6136.		
FAILURE TO COMPLY WITH THIS REQUEST WILL RESULT IN LATE PAYMENT AND POSSIBLE INTEREST PENALTY CHARGES.		
IF YOU HAVE ANY QUESTIONS CONCERNING THIS MATTER, PLEASE CONTACT THE PURCHASE ORDER SECTION AT 504-255-4724.		
USDA, NATIONAL FINANCE CENTER P.O. BOX 60000 NEW ORLEANS, LA 70160		
USDA-NFC-SHAL3		

14. PRCH40-90, Letter To Seller – Discrepancy In Delivery Causing Delayed Payment (sample)

UNITED STATES
DEPARTMENT
OF AGRICULTURE

NATIONAL
FINANCE
CENTER

P.O. BOX 60000
NEW ORLEANS
LOUISIANA 70160

PRCH40 REPORT 90

MARCH 07, 1997

ABC CORP.
P.O. BOX 123
ANYTOWN NJ 07602

GENTLEMEN:

WE HAVE BEEN ADVISED BY THE CONSIGNEE THAT THERE IS A DISCREPANCY IN DELIVERY OF ITEMS OR SERVICES RECENTLY ORDERED FROM YOUR COMPANY UNDER PURCHASE ORDER NO. 40-XXX-7-123. WE ARE THEREFORE DELAYING PAYMENT PENDING RESOLUTION OF THIS PROBLEM. PLEASE CONTACT THE PROCUREMENT OFFICE AT THE ADDRESS BELOW IN ORDER THAT YOUR PAYMENT MAY BE RELEASED AS QUICKLY AS POSSIBLE.

PROCUREMENT OFFICE ADDRESS

USDA FOREST SUPERVISOR
ANGELES NATIONAL FOREST
150 SOUTH LOS ROBLES AVE SUITE 300
PASADENA CA 91101

USDA NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

15. PRCH40-91, Invoice Received For Payment (sample)



United States
Department of
Agriculture

Office of
Finance and
Management

National
Finance
Center

P.O. Box 60,000
New Orleans
Louisiana 70160

PRCH40-91
DATE: MAY 02, 1997

*PLEASE EXPEDITE. PAYMENT SUBJECT TO PROMPT *
*PAYMENT ACT. INTEREST PENALTIES MAY APPLY. *

TO: USDA ANIMAL PLANT HEALTH INSP SVC3294
ADMIN SERVICES DIV FEDERAL BLDG
6505 BELCREST ROAD ROOM G 164
HYATTSVILLE MD 20782

SUBJECT: UNPAID INVOICE - AGENCY RECEIVING REPORT REQUIRED
PURCHASE ORDER 40-0000-7-B1438
INVOICE 314022 , SPSS

() NO RECEIVING REPORT AT NFC
() PARTIAL RECEIPT AT NFC

MARK (X) ONE OF THE PARAGRAPHS (A THROUGH F) TO INDICATE THE STATUS OF THIS ORDER. WHEN APPROPRIATE, SIGN AND RETURN THIS NOTICE TO THE ADDRESS AT THE BOTTOM OF THIS NOTICE. BE SURE TO READ (1),(2),(3), AND (4), BELOW.

- (1) AGENCIES ARE TO SUBMIT RECEIVING REPORTS TO NFC NOT LATER THAN 5 WORKING DAYS AFTER ACCEPTANCE.
- (2) AGENCIES HAVING ACCESS TO PC OR ONLINE PRCH SHOULD IMMEDIATELY TRANSMIT THE PARTIAL OR COMPLETE RECEIVING REPORT TO NFC.
- (3) AGENCIES THAT DO NOT HAVE ACCESS TO PC OR ONLINE PRCH SHOULD TELEFAX (NOT MAIL) THE RECEIVING REPORT TO THE PURCHASE ORDER SECTION AT 504-255-6136.
- (4) AGENCIES THAT DO NOT HAVE ACCESS TO PC OR ONLINE PRCH OR TELEFAX FACILITIES MUST RESPOND IMMEDIATELY BY RETURNING THIS NOTICE WITH THE RECEIPT INFORMATION TO NFC.

- A. ☐ ATTACHED IS A DUPLICATE RECEIVING REPORT.
B. ☐ COMPLETE ORDER WAS RECEIVED AS OF _____ (DATE).
C. ☐ ATTACHED IS A PARTIAL RECEIVING REPORT.
D. ☐ NO ITEMS HAVE BEEN RECEIVED. DO NOT MAKE PAYMENT. A RECEIVING REPORT WILL BE FORWARDED WHEN THE ITEM(S) ARE RECEIVED.
E. ☐ RECEIVING REPORT BEING HELD BECAUSE OF DISPUTE IN THE DELIVERY.
F. ☐ OTHER. (REMARKS) _____

NOTE: NFC HAS NOTIFIED THE VENDOR THAT PAYMENT OF THE INVOICE IS PENDING RECEIPT OF THE ITEMS BILLED. PROBLEMS WITH SHIPMENT SHOULD BE HANDLED BY THE PROCUREMENT OFFICE, NOT NFC.

SIGNATURE OF RECEIVING OFFICIAL

USDA, OFM, NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

NOTICE 1

16. PRCH43-51, Purchase Order Notice To Procurement Office-Subject: Verification Of Procurement Or Other Required Authorization (sample)

UNITED STATES	NATIONAL	P.O. BOX 60000
DEPARTMENT	FINANCE	NEW ORLEANS
OF AGRICULTURE	CENTER	LOUISIANA 70160

0000X0000-000

TO: USDA SCS STATE ADM OFFICER
760 SOUTH BROADWAY
SALINA KS 67401

DATE: FEBRUARY 25, 1997
SUBJECT: PROCUREMENT AUTHORIZATION

PURCHASE ORDER NUMBER 41-0000-7-00100 HAS BEEN RANDOMLY SELECTED
FOR PURPOSES OF VERIFYING THE PROCUREMENT AUTHORITY. YOU ARE
REQUESTED TO COMPLETE THE CERTIFICATE BELOW AND RETURN TO THE
NATIONAL FINANCE CENTER WITHIN 10 DAYS.

CERTIFICATE

I DO () / DO NOT () CERTIFY THAT THE INDIVIDUAL WHO SIGNED THE
PURCHASE ORDER LISTED ABOVE IS A DULY AUTHORIZED REPRESENTATIVE OF
THE UNITED STATES DEPARTMENT OF AGRICULTURE AND HAS PROCUREMENT
AUTHORITY TO ORDER THOSE SERVICES OR SUPPLIES AS PROCURED IN THE
PURCHASE ORDER NUMBER SHOWN ABOVE.

SIGNATURE _____ DATE _____

NAME _____

TITLE _____

RETURN IN WINDOW ENVELOPE TO:

USDA-NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

17. PRCH43-54, Subject: Funds Depleted On Purchase Order No. (sample)

UNITED STATES	NATIONAL	P.O. BOX 60000
DEPARTMENT	FINANCE	NEW ORLEANS
OF AGRICULTURE	CENTER	LOUISIANA 70160

TO: USDA FOREST SERVICE
GRAND MESA UNCOMPAHGRE GUNNISON
NATIONAL FORESTS 2250 HYWAY 50
DELTA CO 81416

DATE: DECEMBER 08, 1996
SUBJECT: FUNDS DEPLETED ON PURCHASE ORDER NO. 43-0000-6-00100

MONIES OBLIGATED FOR THIS PURCHASE ORDER HAVE BEEN DEPLETED.
WE HAVE ADJUSTED THE OBLIGATION TO COVER THE ARREARAGE INDICATED
BELOW; HOWEVER, SINCE A "COMPLETE" RECEIPT HAS NOT BEEN ENTERED,
IT APPEARS YOU EXPECT FURTHER ACTIVITY AGAINST THIS ORDER.
THEREFORE, YOU ARE REQUESTED TO FURNISH AN AMENDMENT TO THIS
ORDER INCREASING THE OBLIGATION BY LINE ITEM IN THE AMOUNT
NECESSARY TO COMPLETE THIS ORDER.

AGENCY	ARREARAGE	
OBLIGATED + ADJUSTED BY NFC =	AMOUNT PAID	
3,256.00	112.00	3,368.00

TO DATE 2 PAYMENTS HAVE BEEN MADE; THE LAST ONE ON 12/08/96

SUBSEQUENT PAYMENTS AGAINST THIS PURCHASE ORDER ARE CONTINGENT
UPON RECEIPT OF YOUR AMENDMENT. IF THIS ORDER IS COMPLETED AND
NO FURTHER ACTIVITY ANTICIPATED, NO ACTION IS NECESSARY.

USDA-NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

Exhibits 169

19. PRCH74-10, Subject: Orders Undelivered In Excess Of 180 Days (sample)

F308		NATIONAL		P.O. BOX 60000	
UNITED STATES		FINANCE		NEW ORLEANS	
DEPARTMENT		CENTER		LOUISIANA 70160	
OF AGRICULTURE					

PRCH74-10	PAGE 1
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TO: US DEPT AGRICULTURE
FEDERAL EXPERIMENT STA
MAYAGUEZ PR 00708

07/21/96

SUBJECT: ORDERS UNDELIVERED IN EXCESS OF 180 DAYS

FOLLOWING IS THE QUARTERLY LIST OF PURCHASE ORDERS, FORMS AD-838,
FOR ALL TRANSACTION TYPES 40 AND 41 WHICH ARE PARTIALLY OR TOTALLY UNDELIVERED
FOR MORE THAN 180 DAYS. PRIOR YEAR TRANSACTION TYPE 43 AND FMHA CONTRACT
TYPE 60 ORDERS WHICH ARE UNDELIVERED ARE ALSO INCLUDED.

PLEASE REVIEW THESE ORDERS CLOSELY AND CANCEL ANY ORDER BY ENTERING CN IN THE
CANCEL INDICATOR COLUMN IN ACCORDANCE WITH THE PURCHASE ORDER SYSTEM
PROCEDURE, TITLE II, CHAPTER 5, SECTION 1.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE PURCHASE ORDER SECTION AT
504-255-4724.

PO TYPE	PO NO.	LINE NO.	ACT OFF	RCVNG QTY	ORD QTY	DEL QTY	UNDEL QTY	AGE (DAYS)	CANCEL INDICATOR
40	XXXX0946	01	XXXX	1.000	.000		1.000	787	
		02		2.000	.000		2.000	787	
ORIG. SUB-TOTAL AMT						291.25			

RETURN IN WINDOW ENVELOPE TO:

USDA-NATIONAL FINANCE CENTER	PHONE (AREA CODE & NO.)
P.O. BOX 60000	
NEW ORLEANS, LA 70160	
AUTHORIZED SIGNATURE	DATE

UNITED STATES DEPARTMENT OF AGRICULTURE		NATIONAL FINANCE CENTER		P. O. BOX 60000 NEW ORLEANS LOUISIANA 70160		
(REQ. #) U. S. DEPARTMENT OF AGRICULTURE				PRCH81-01	PAGE 1	
FARMERS HOME ADMIN				RUN-DATE	07/27/96	
50 AGRIC BLDG RM 0373						
WASHINGTON DC 20250						
PURCHASE		INACTIVE		PURCHASE ORDERS		
RETAIN	ORDER NUMBER	ORDER DATE	AGENCY	STAT.	ORDER VALUE	
					PAYD VALUE	
					BALANCE	
	43-0000-X-0025	01/01/XX	07	XXXX	\$5,160.00	\$3,944.27
						\$1,215.73
	43-0000-X-14007	01/01/XX	07	XXXX	\$20,000.00	\$142.96
						\$19,857.04

ORDERS ON THIS LISTING WILL BE DEOBLIGATED 90 DAYS AFTER THE RUN DATE OF THIS LISTING
UNLESS THE NFC IS OTHERWISE NOTIFIED. INDICATE ORDERS TO BE RETAINED BY PLACING A "K"
IN THE "RETAIN" COLUMN. DO NOT WRITE OTHER COMMENTS OR MAKE OTHER MARKINGS ON THIS LIST.

USDA-NFC-SHAL3

21. PRCH88-88, 40 Type Purchase Orders With Receiving Report And No Invoice After 45 Days (sample)

UNITED STATES	NATIONAL	P.O. BOX 60000
DEPARTMENT	FINANCE	NEW ORLEANS
OF AGRICULTURE	CENTER	LOUISIANA 70160
		PRCH88-88
"40" TYPE PURCHASE ORDERS		RUN DATE 08/16/96
WITH RECEIVING REPORT AND		
NO INVOICE AFTER 45 DAYS		
AGENCY 11		PAGE 1
PROCUREMENT OFFICE XXXX		
ADDRESS: USDA FOREST SERVICE		
PAYETTE NATIONAL FOREST		
PO BOX 1026		
MCCALL ID 83638		
PURCHASE ORDER NO.	ORDER VALUE	DATE OF LAST RECEIPT
40-XXXX-5-0219	\$6,800.00	03-25-94
		ACCRUED LIABILITY BALANCE
		\$500.00
UPON RECEIPT OF THIS LETTER, AGENCY PROCUREMENT OFFICES SHOULD CONTACT THE VENDOR TO EXPEDITE SENDING THE INVOICE TO THE NATIONAL FINANCE CENTER (NFC) USING THE ADDRESS INDICATED ON THE SELLER'S COPY OF THE PURCHASE ORDER. IN THE EVENT THE AGENCY WISHES TO CANCEL THE ORDER, REFER TO THE PURCHASE ORDER SYSTEM PROCEDURE, TITLE II, CHAPTER 5, SECTION 1 AND PREPARE THE AD-838, PURCHASE ORDER, ANNOTATING THE PROPER BLOCKS ON THE PURCHASE ORDER. IF THERE ARE ANY QUESTIONS, PLEASE CONTACT NFC'S PURCHASE ORDER SECTION AT (504) 255-4724.		

22. PRCH91-02, Status Of Orders Not Requiring Advance Receiving Reports (sample)

UNITED STATES
DEPARTMENT OF
AGRICULTURE

NATIONAL
FINANCE
CENTER

P.O. BOX 60000
NEW ORLEANS
LOUISIANA 70160

DATE: 02/04/97

PRCH91-02

SUBJECT: STATUS OF ORDERS NOT REQUIRING ADVANCE RECEIVING REPORTS.

TO: USDA FOREST SERVICE
SEQUOIA NATL FOREST
900 W GRAND AVE
PORTERVILLE CA 93257

REC OFF XXXX
BATCH 4031N3996-003

PURCHASE ORDER 40-XXXX-7-0137 HAS BEEN SELECTED FOR A FOLLOW-UP REPORT
ON THE STATUS OF RECEIPT OF GOODS.
PLEASE CHECK THE APPROPRIATE NUMBERED RESPONSE, SIGN AND RETURN THIS
NOTICE TO THE ADDRESS BELOW.

1. () ORDER HAS BEEN COMPLETELY RECEIVED. COLLECTION ACTION
WAS NEVER REQUESTED.
2. () ORDER HAS BEEN PARTIALLY RECEIVED. COMPLETE DELIVERY
ANTICIPATED.
3. () ORDER HAS NOT BEEN RECEIVED. COLLECTION ACTION IS
NOT NECESSARY BECAUSE _____.
4. () ORDER HAS BEEN COMPLETELY RECEIVED. COLLECTION ACTION
WAS REQUESTED. AMOUNT OF COLLECTION REQUEST _____.
5. () ORDER HAS BEEN PARTIALLY RECEIVED. COLLECTION ACTION
WAS REQUESTED. AMOUNT OF COLLECTION REQUEST _____.
6. () ORDER HAS NOT BEEN RECEIVED. COLLECTION ACTION
WAS REQUESTED. AMOUNT OF COLLECTION REQUEST _____.

SIGNATURE AND PHONE NO.
OF RECEIVING OFFICIAL

PHONE _____

RETURN IN WINDOW ENVELOPE TO:

1ST REQUEST
PLEASE RESPOND IMMEDIATELY

USDA-NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

23. PRCH92-01, Subject: Notice Of Receipt Required (sample)

UNITED STATES	NATIONAL	P.O. BOX 60000
DEPARTMENT OF	FINANCE	NEW ORLEANS
AGRICULTURE	CENTER	LOUISIANA 70160

DATE: 05/03/97

PRCH92-01

RECEIVING OFFICE

TO: USDA AGRICULTURAL RESEARCH SERVICE
PO BOX 307
ABERDEEN ID 83210

XXXX

SUBJECT: NOTICE OF RECEIPT REQUIRED.

PURCHASE ORDER NUMBER 40-XXXX-7-190

- (X) HAS BEEN SELECTED AS PART OF THE STATISTICAL SAMPLE WHICH THEREFORE
REQUIRES A RECEIVING REPORT PRIOR TO PAYMENT.
- () HAS BEEN DESIGNATED BY THE PROCUREMENT OFFICER AS AN ORDER REQUIRING
A RECEIVING REPORT PRIOR TO PAYMENT.
- () HAS BEEN AMENDED TO EXCEED \$1100 AND THEREFORE REQUIRES A RECEIVING
REPORT PRIOR TO PAYMENT.

RECEIVING OFFICES MUST SUBMIT THE APPROPRIATE RECEIPT(S) IN ACCORDANCE
WITH THE EXISTING RECEIPT INSTRUCTIONS OUTLINED IN CHAPTER 5, AD-838
PURCHASE ORDER PROCEDURES MANUAL AND CONTAINED ON REVERSE OF THE AD-838A,
PARTIAL RECEIPT NOTIFICATION AND THE GREEN RECEIPT COPY OF THE PURCHASE
ORDER.

PROCUREMENT AND RECEIVING OFFICES SHOULD IDENTIFY THIS ORDER AS REQUIRING
RECEIVING REPORTS FOR EACH DELIVERY OF GOODS.

USDA-NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

24. PRCH96-01, Invoice Received For Payment (sample)

UNITED STATES	NATIONAL	P.O. BOX 60000
DEPARTMENT	FINANCE	NEW ORLEANS
OF AGRICULTURE	CENTER	LOUISIANA 70160

PRCH96-01

MAY 02, 1997

SPSS
P.O. BOX 91418
CHICAGO IL60693

SUBJECT: INVOICE NUMBER 314022 FOR \$ 1,195.00
PURCHASE ORDER 40-XXXX-7-B1438

PAYMENT OF YOUR INVOICE IS PENDING RECEIPT OF THE ITEMS BILLED. PAYMENT WILL BE MADE PROMPTLY WHEN WE ARE NOTIFIED BY THE RECEIVING OFFICE THAT THE ITEMS BILLED WERE RECEIVED AND ACCEPTED.

IF SHIPMENT OF GOODS OR SERVICES LISTED ON THE INVOICE IS COMPLETE, PLEASE NOTIFY THE CONSIGNEE OR ORDERING OFFICE INDICATED ON THE PURCHASE ORDER TO EXPEDITE SUBMISSION OF THE RECEIVING REPORT.

USDA, NATIONAL FINANCE CENTER
P. O. BOX 60,000
NEW ORLEANS, LA 70160

25. PRCH124-1, Vendor Letter, RE: Invoice Number XXXXX (sample)



United States
Department of
Agriculture

Office of the
Chief Financial
Officer

National
Finance
Center

P.O. Box 60,000
New Orleans
Louisiana 70160

PRCH124-1

DATE: 05/03/97

AMF CONTRACTORS INC
GENERAL CONTRACTOR
10237 SOUTHARD DR
BELTSVILLE MD 20705

RE: INVOICE NUMBER 11862

PURCHASE ORDER NUMBER 40-XXXX-7-00157
AC-6:45 7121N3878 017

SUBJECT INVOICE CANNOT BE PROCESSED FOR PAYMENT FOR THE REASON DESCRIBED IN THE BOX BELOW MARKED "X." IF THE DISPUTE IS SETTLED WITH THE ISSUING OFFICE/CONSIGNEE, PLEASE REBILL THIS OFFICE TO OBTAIN PAYMENT.

- () AS YOU REQUESTED. OTHER: _____
- () THE TOTAL VALUE OF THIS PURCHASE ORDER HAS BEEN PAID, CONTACT THE ISSUING OFFICE FOR APPROVAL OF THE ADDITIONAL AMOUNT.
- (X) THE TOTAL AMOUNT OF THIS PURCHASE ORDER HAS BEEN PAID, DETAILED PAYMENT INFORMATION IS AVAILABLE BY CALLING THE PURCHASE ORDER SECTION AT THE TOLL FREE NUMBER 1-800-421-0323.
- () THIS PURCHASE ORDER HAS BEEN CANCELED. IF YOU WERE NOT NOTIFIED, CONTACT THE ISSUING OFFICE.
- () THE RENEWAL NOTICE SHOULD BE SENT TO THE CONSIGNEE.
- () THE ITEM(S) INVOICED WAS NOT INCLUDED ON THIS PURCHASE ORDER. TO RESOLVE THIS DISCREPANCY, CONTACT THE ISSUING OFFICE.
- () THE CONSIGNEE HAS NOT RECEIVED THE ITEM(S) LISTED ON YOUR INVOICE. IF DELIVERY WAS MADE, CONTACT THE CONSIGNEE OR THE ISSUING OFFICE TO RESOLVE THE DISCREPANCY.

IF YOU HAVE ANY QUESTIONS CONCERNING THE MATTERS DESCRIBED IN THIS LETTER, PLEASE CONTACT THE PURCHASE ORDER SECTION AT THE TOLL FREE NUMBER 1-800-421-0323.

USDA, Office of the Chief Financial Officer
NATIONAL FINANCE CENTER
P.O. BOX 60000
NEW ORLEANS, LA 70160

26. Notice To Check Recipient (sample)

NOTICE TO CHECK RECIPIENT		TREASURY-FINANCIAL MANAGEMENT SERVICE		TFS FORM 3039 (Rev.)	
VENDOR NAME: CORDOVA RANGER DISTRICT			VENDOR I.D. NUMBER: XXXXXXXXXXXX*		
AGENCY NAME AND BILLING ADDRESS:	USDA-NFC, P O BOX 60800 NEW ORLEANS, LA. 70160 CALL 504-255-5370 OR TOLL FREE 1-800-421-0323		U.S. TREASURY REG. FINANCIAL CENTER: KANSAS CITY, MO		
			CHECK NUMBER 3088-79108337	CHECK AMOUNT \$****675.00	CHECK DATE 02-05-97
PAYMENT IDENTIFICATION DATA:	P O # 43-XXXX-7-00				AGENCY SCHEDULE NUMBER
	INV AMOUNT \$675.00				0000725941
	#228327				AGENCY TELEPHONE NUMBER
	INV DATE 12-31				504-255-5370
	SCHD/SEQ 227035-00562				
CREDIT ACCT OF USDA - FOREST SERVICE					
NON NEGOTIABLE					
VENDOR EXPRESS PAYS ELECTRONICALLY 1-800-421-0323					

PLEASE DIRECT ANY INQUIRIES CONCERNING THIS PAYMENT TO THE AGENCY AT THE ADDRESS (OR TELEPHONE NUMBER) INDICATED ABOVE.

27. PRCH Report No. 11, Form SF-281, Federal Procurement Data System (FPDS) Summary Contract Action Report (\$25,000 Or Less) (sample)

FEDERAL PROCUREMENT DATA SYSTEM (FPDS) SUMMARY CONTRACT ACTION REPORT (\$25,000 OR LESS) <i>(Dollars in thousands, rounded to the nearest thousand)</i>						INTERAGENCY REPORT CONTROL NUMBER 0208-GSA-QU		
REPORT NO 11 CIVILIAN AGENCIES Net dollars and number of actions where anticipated value of instrument is \$25,000 or less.				DEPARTMENT OF DEFENSE Net dollars and number of actions where anticipated obligated on action is \$25,000 or less.				
a. REPORT PERIOD		b. REPORT TYPE (X one)		c. REPORTING AGENCY CODE (FIPS 95)				
FY 97	QTR 2	X ORIGINAL	REVISION	03 XXXX				
d. REPORTING AGENCY NAME AGRICULTURAL RESEARCH SVC			e. CONTRACTING OFFICE CODE F308		f. CONTRACTING OFFICE NAME PURCHASING OFFICE REPORT			
PART I - PRIME CONTRACT ACTIONS OF \$25,000 OR LESS								
NEW AWARDS AND MODIFICATIONS	PROCUREMENT METHOD		Number of Actions (a)	NET DOLLAR AMOUNTS				
				Small Business Concerns (b)	Large Business Concerns (c)	Domestic Outside U.S./ Foreign (d)	Other Entities (e)	Total Dollars (f)
	1. Tariff or Regulated Acquisitions		0					0
	2. Contract for Foreign Government or International Organization		0					0
	3. Purchases Using Simplified Acquisition Procedures		57	28	3	0	0	32
	4. Orders - GSA Schedules Only		0	0	0	0	0	0
	5. Orders - Other Federal Schedules		0	0	0	0	0	0
	6. All Other Orders		0	0	0	0	0	0
	7. Other Procurement Methods		0	0	0	0	0	0
	8. TOTAL NEW AWARDS AND MODIFICATIONS		57	28	3	0	0	32
COMPETITION	9. Competed		1	2	0	0	0	2
	10. Not Competed		6	0	3	0	0	4
	11. Not Available For Competition		50	26	0	0	0	26
MODIFICATIONS	12. TOTAL MODIFICATIONS (Excluding Line 3)		0					0
PART II - SELECTED SOCIOECONOMIC STATISTICS (Includes both new awards and modifications)								
PREFERENCE PROGRAMS				TYPE OF CONTRACTOR				
CATEGORY	Number of Actions (a)	Total Net Dollars (b)	CATEGORY	Number of Actions (a)	Total Net Dollars (b)			
13. Small Business Set-Aside	0	0	18. Women-Owned Small Business	1	0			
14. Small Disadvantaged Business Set-Aside	0	0	19. JWOD Nonprofit Agency	0	0			
15. 8(a) Contract Award	0	0	20. HBCU/MI	0	0			
16. Small Business	52	28						
17. Small Disadvantaged Business	0	0						
g. PERSON SUBMITTING REPORT								
NAME			SIGNATURE		TELEPHONE AREA CODE AND NUMBER	DATE		
U S D A - N F C					504-255-5370	05/22/97		
AUTHORIZED FOR LOCAL REPRODUCTION Previous edition not usable				STANDARD FORM 281 (REV. 10/96) Prescribed by GSA-FAR (48 CFR) 53.204-2(b)				

29. Form AD-780, Discount Notice

DISCOUNT NOTICE

FORM AD - 780 (REV. 10/82)

Appendixes

This section contains reference information, such as routing requirements for documents, SF-281 codes, amendment criteria and sub identifiers, action codes, etc.

A. Instructions For Using The Purchase Order Inquiry Line

Instructions for Using the Purchase Order Inquiry Line

The National Finance Center's Purchase Order Inquiry Line provides automated inquiry service for purchase order payments daily from 6 a.m. to 6 p.m., Central Time. All you need are a touch-tone telephone, the purchase order number, and the invoice number (if applicable). A voice response system will guide you through the call to get the information you want.

As part of the inquiry process, you will be asked to enter the purchase order number and the invoice number (if applicable) that you are inquiring about. Purchase order numbers and invoice numbers often contain alpha characters (letters) as well as numbers. To enter the alpha characters, first press the star (*) key, then press the key for the alpha character to be entered. Then press 1, 2, or 3 to indicate the position of the letter on the key. For example, to enter A, press *21. Ignore dashes, slashes, or spaces. (For your convenience, the Key Stroke Chart for Entering Letters is printed below.) To expedite the entry of your inquiry, use the list before calling to write down the entire key sequence for the purchase order number and invoice number (if applicable).

The telephone number and instructions for using the Inquiry Line are provided below:

1. Using a touch-tone telephone, call the Purchase Order Inquiry Line toll-free at 1-800-421-0323 or (FTS or Commercial) 504-255-4PCH (4724).
2. Listen for the directions. When requested, press 1 to confirm that you are calling from a touch-tone telephone. Then, when requested, press 1 again to indicate that you are inquiring about a purchase order payment status.
3. The system will ask if the inquiry is from a commercial vendor or a Government agency. If you are a commercial vendor, press 9. If you represent a Government agency, press 8.
4. When requested, enter the purchase order number that you are inquiring about, then press the pound (#) key. The system will repeat the purchase order number that you enter. If the purchase order number is correct, do nothing. The system will continue. If the purchase order number is incorrect, press 5, then reenter the purchase order number when instructed to do so.
5. If the purchase order number is correct, enter the invoice number (if applicable) when requested, then press the pound (#) key. The system will repeat the invoice number that you enter. If the invoice number is correct, do nothing. The system will continue. If the invoice number is incorrect, press 5, then reenter the invoice number when instructed to do so.
6. If the invoice number entered is correct, the system will provide the applicable payment information for the purchase order/invoice combination.
7. After delivering the information, the system gives you the option of making another inquiry, requesting further assistance, or ending the call. To make another inquiry, press the key indicated by the system. To request further assistance, press the pound (#) key. (Note: NFC's technicians are available to give further assistance from 7:45 a.m. to 4:00 p.m., Central Time, Monday through Friday.) To end the call, simply hang up.

Key Stroke Chart for Entering Letters

To enter alpha characters (letters) that occur in a purchase order or invoice number, use the three-key sequences shown below:

Letters	Keys	Letters	Keys	Letters	Keys
A	* 2 1	J	* 5 1	S	* 7 3
B	* 2 2	K	* 5 2	T	* 8 1
C	* 2 3	L	* 5 3	U	* 8 2
D	* 3 1	M	* 6 1	V	* 8 3
E	* 3 2	N	* 6 2	W	* 9 1
F	* 3 3	O	* 6 3	X	* 9 2
G	* 4 1	P	* 7 1	Y	* 9 3
H	* 4 2	Q	* 1 1	Z	* 1 2
I	* 4 3	R	* 7 2		

B. Routing Requirements For Documents

Transaction Type	Purchase Order to NFC	Receiving Report to NFC	Seller's Invoice Direct to NFC	Seller's Invoice To Field Prior To Forwarding To NFC
40	Yes*	Yes**	Yes	No
41	Yes*	No	Yes***	No
42	Yes*	No	No****	N/A****
43	Yes*	Yes (AD-838-B)	No	Yes
45	Yes*	Yes (AD-838D)	No	Yes
60	Yes*	Yes (FmHA 838-B)	No	Yes

* Online and personal computer (PC) systems are available to electronically transmit data to NFC.

** Receiving reports are not required on orders of \$1,000 or less, unless selected for statistical sampling or required by the agency. Also, the transaction Type 40 receiving report data can be electronically transmitted to NFC through the use of online and PC systems.

*** Invoices are not required on orders issued with P (advance payment) in Block 9, SUB. Invoices are needed by NFC for orders issued without a P in Block 9.

**** Invoices are not required on cyclic payments.

C. W-9, Request for Taxpayer Identification Number and Certification

Form W-9 (Rev. December 1996) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give form to the requester. Do NOT send to the IRS.
Please print or type	Name (If a joint account or you changed your name, see Specific Instructions on page 2.)	
	Business name, if different from above. (See Specific Instructions on page 2.)	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
	Address (number, street, and apt. or suite no.)	
	City, state, and ZIP code	Requester's name and address (optional)
Part I Taxpayer Identification Number (TIN) Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, if you are a resident alien OR a sole proprietor, see the instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see How To Get a TIN on page 2. Note: If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.		List account number(s) here (optional)
Part II For Payees Exempt From Backup Withholding (See the instructions on page 2.)		
Part III Certification Under penalties of perjury, I certify that: <ol style="list-style-type: none">The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), andI am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding. Certification Instructions. —You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 2.)		
Sign Here	Signature ▶	Date ▶
Purpose of Form. —A person who is required to file an information return with the IRS must get your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA. Use Form W-9 to give your correct TIN to the person requesting it (the requester) and, when applicable, to: <ol style="list-style-type: none">Certify the TIN you are giving is correct (or you are waiting for a number to be issued),Certify you are not subject to backup withholding,Claim exemption from backup withholding if you are an exempt payee. Note: If a requester gives you a form other than a W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9. What Is Backup Withholding? —Persons making certain payments to you must withhold and pay to the IRS 31% of such payments under certain conditions. This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding. If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, payments you receive will not be subject to backup withholding. Payments you receive will be subject to backup withholding if: <ol style="list-style-type: none">You do not furnish your TIN to the requester, orThe IRS tells the requester that you furnished an incorrect TIN, orThe IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), orYou do not certify to the requester that you are not subject to backup withholding under 3 above (for reportable interest and dividend accounts opened after 1983 only), or <ol style="list-style-type: none">You do not certify your TIN when required. See the Part III instructions on page 2 for details. Certain payees and payments are exempt from backup withholding. See the Part II instructions and the separate Instructions for the Requester of Form W-9. Penalties Failure To Furnish TIN. —If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect. Civil Penalty for False Information With Respect to Withholding. —If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty. Criminal Penalty for Falsifying Information. —Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment. Misuse of TINs. —If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.		

Specific Instructions

Name.—If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage, without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first and then circle the name of the person or entity whose number you enter in Part I of the form.

Sole Proprietor.—You must enter your individual name as shown on your social security card. You may enter your business, trade, or "doing business as" name on the **business name** line.

Other Entities.—Enter the business name as shown on required Federal tax documents. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or "doing business as" name on the business name line.

Part I—Taxpayer Identification Number (TIN)

You must enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see **How To Get a TIN** below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, using your EIN may result in unnecessary notices to the requester.

Note: See the chart on this page for further clarification of name and TIN combinations.

How To Get a TIN.—If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5** from your local Social Security Administration office. Get **Form W-7** to apply for an ITIN or **Form SS-4** to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676).

If you do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, you will generally have 60 days to get a TIN and give it to the requester. Other payments are subject to backup withholding.

Note: Writing "Applied For" means that you have already applied for a TIN **OR** that you intend to apply for one soon.

Part II—For Payees Exempt From Backup Withholding

Individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For more information on exempt payees, see the separate Instructions for the Requester of Form W-9.

If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. Enter your correct TIN in Part I, write "Exempt" in Part II, and sign and date the form.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester a completed **Form W-8**, Certificate of Foreign Status.

Part III—Certification

For a joint account, only the person whose TIN is shown in Part I should sign (when required).

1. Interest, Dividend, and Barter Exchange Accounts Opened Before 1984 and Broker Accounts Considered Active During 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, Dividend, Broker, and Barter Exchange Accounts Opened After 1983 and Broker Accounts Considered Inactive During 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real Estate Transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other Payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services (including attorney and accounting fees), and payments to certain fishing boat crew members.

5. Mortgage Interest Paid by You, Acquisition or Abandonment of Secured Property, Cancellation of Debt, or IRA Contributions. You must give your correct TIN, but you do not have to sign the certification.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to give your correct TIN to persons who must file information returns with the IRS to report interest, dividends,

and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation and to cities, states, and the District of Columbia to carry out their tax laws.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 31% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your SSN or EIN (if you have one).

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

D. Chart Of SF–281 Codes *(Block 5 On The AD–838)*

Method of Procurement (First Position of the SF–281 Code)

The following SF–281 codes and descriptions identify the method of procurement. The method of procurement is the first position in Block 5, SF–281, on the AD–838. The second position of the SF–281 code, type of business, is described on page 2 of this appendix. It is important to use a valid code combination. These combinations are listed on page 3 of this appendix.

Code	Description
A	Tariff or Regulated Acquisition
B	Contract for Foreign Government or International Organizations
C	Simplified Acquisition Procedures
D	Simplified Acquisition Procedures – Noncompetitive
E	Simplified Acquisition Procedures – Not Available for Competition
F	GSA Schedules Only
G	Orders – Other Federal Schedules
H	All Other – Orders Competitive
I	All Other – Orders Noncompetitive Other
J	Orders – All Others – Not Available for Competition
K	Other Procurement Methods – Competitive
L	Other Procurement Methods – Noncompetitive
M	Other Procurement Methods – Not Available for Competition
N	Other Procurement Methods (8 (a) Contract Awards)
O	Javits–Wagner–O’Day (JWOD) Nonprofit Agency
P	Online Payment and Collection (OPAC) System
Q	Purchases From Other Federal Agencies (e.g., GPO)
U	Purchases From Federal Prison Industries (UNICOR) Which Are Non-OPAC Orders
Z	Number of Modifications Actions

Appendix D. Chart Of S-281 Codes (contd)

Type of Business (Second Position of the SF-281 Code)

The following SF-281 codes and descriptions identify the Type of Business. The type of business is the second position in Block 5, SF-281, on the AD-838. The first position of the SF-281 code, method of procurement, is described on page 1 of this appendix. It is important to use a valid code combination. These combinations are listed on page 3 of this appendix.

Code	Description
A	Small Business Concern, SAT
C	Small Business Concern, Small Business Set-aside
F	Small Business Concern, Disadvantaged
H	Small Business Concern, Disadvantaged, Small Business Set-aside
K	Small Business Concern, Woman-owned
M	Small Business Concern, Woman-owned, Small Business Set-aside
P	Large Business Concern
R	Domestic Outside U.S.
T	Domestic Outside U.S., Small Business Set-aside
U	Foreign
V	Other Entities
X	Other Entities, Small Business Set-aside
Y	Historically Black Colleges and Universities/MI
Z	Total Dollar Modifications
22	Transaction reported on SF-279, Federal Procurement Data System (FPDS) Individual Contract Action Report, and will not be reported on the SF-281 report.
1	Small Business Concern, Disadvantaged, Woman-owned
3	Small Business Concern, Disadvantaged, Woman-owned Set-aside

Appendix D. Chart Of S-281 Codes (contd)

Valid Code Combinations

The following Matrix identifies valid code combinations. Use only these combinations in Block 5 of the AD-838:

A	B	CA	DA	EA	FA	GA	HA	IA	JA	KA	LA	MA	N	O	P	Q	U	22
		CC	DF	EF	FC	GC	HC	IF	JF	KC	LF	MF	NK					
		CF	DK	EK	FH	GF	HF	IK	JK	KF	LK	MK						
		CH	DP	EP	FK	GH	HH	IP	JP	KH	LP	NP						
		CK	DR	ER	FM	GK	HK	IR	JR	KK	LR	MR						
		CM	DU	EU	FP	GM	HM	IT	JT	KM	LT	MU						
		CR	DV	EV	FR	GP	HP	IU	JU	KP	LU	MV						
		CP	D1	EY	FT	GR	HR	IV	JV	KR	LV	MY						
		CT		E1	FU	GT	HT	IY	JY	KT	LY	M1						
		CU		E3	FV	GU	HU	I1	J1	KU	L1	M3						
		CV			FX	GV	HV	I3	J3	KV	L3							
		CX			FY	GX	HX			KX								
		CY			F3	GY	HY			KY								
		C1				G1	H1			K1								
		C3				G3	H3			K3								

Note: The first position of the code identifies the method of procurement. The second position of the code identifies the type of business. If the type of business is not applicable, omit the second position.

E. Amendment Criteria And Sub Identifiers *(Block 9, Sub, On The AD-838)*

An AD-838 amendment is submitted to:

- change a purchase order
- add to a purchase order
- delete from a purchase order

Include the following minimum information:

- the purchase order number (Block 8)
- the sub-identifier(s) (Block 9)
- the data element(s) to be changed, added, or deleted

For specific guidelines, see **Completion Instructions For Amending An AD-838**.



Note

Remember Type 41-P orders cannot be amended. Type 42 orders can only be amended to correct the spelling of a vendors name and/or address (code DA in Block 9). If a change is necessary, the entire order must be canceled (CN) and a new AD-838 with a new order number must be processed. If payment has been made, a collection action is required.

Sub Identifiers

- **01 thru 98.** Used on Types 40, 41, 43, 45, and 60 to:
- Change the delivery address of goods or services
- Procure additional goods or services
- Cancel a line item
- Change a receiving office number, contract number, SF-281 code, unit code, fund code, unit of issue, discount and/or net payment terms and/or estimated freight
- Change the quantity or unit price. (The amendment must include quantity, unit price, and amount for each change.)
- Change a budget object or account line
- Change the accounting classification and/or distribution prior to any disbursement against that accounting classification
- Change the dollar amount associated with action codes when the change is not due to procurement of additional goods or services

Other Sub Identifiers

CM. Used on order Types 42 and 43 to cancel the memo obligation feature. All remaining monies against the order will be obligated

CN. Used on all order types (except Type 41-P) to cancel an entire purchase order or the remaining portion of an order

Appendix E. Amendment Criteria And Sub Identifiers (contd)

CW. Used on order Types 40 and 41 to cancel withholding of partial payments

DA. Used on order Types 42, 45, and 60 to correct the vendor's name and/or address in Block 10

DL. Used on Type 60 to delete active unpaid orders

K. Used on all order types to retain an inactive order in the system (See **Reports, PRCH81-01, Inactive Purchase Orders, (Exhibit 20)**, under **Introduction.**)

M plus 2, 3, 4, 5, 6, 7, 8, 9, 0, 1, M, Q, T, and S. Used on order Types 42 and 43 to obligate funds in installments

P. Used on Type 41 orders to make immediate payment to the vendor when no invoice is expected. This type order cannot be amended (See **Type 41 Completion Instructions For An AD-838, Purchase Order**)

R, R1, RT, and TT. Used on Type 40 orders that are valued at \$1,000 or less (For more information on how to determine their use, see **Type 40 Completion Instructions For An AD-838, Purchase Order.**)

RE. Used on Type 60 to reestablish orders previously canceled by Sub code CN in Block 9 or by Action Code X in Block 13

TT. Used on Type 41 orders to make payment in the lower tolerance amount (For more information on how to determine its use, see **Type 41 Completion Instructions for An AD-838, Purchase Order**)

W. Used on order Type 40 to withhold partial payments

X. Used on Type 60 original orders to indicate that there is an option to extend the agreement

Z. Used on order Types 40, 41, and 43 to change Blocks 10, 11, 14, 21, 23, and 24 applicable only to the seller

ZB. Used on Type 60 orders to reduce unliquidated balances to zero

A1 through A9 and 99. Used by NFC to validate orders

F. Purchase Order Action Codes *(Block 13 On The AD-838)*

C = Credit

- Must be a credit that is NOT the result of a trade-in of capitalized equipment
- Must be either associated with a line item (i.e., carry the same line item number as the item to which it is applied), in which case it will automatically carry the same budget object and account line as the item
- Must be independent of a line item (i.e., no line item number assigned to the credit), in which case it can (a) carry its own budget object and account line, or (b) not carry any budget object or account line in which case the credit will be prorated among accounting classifications and object classes
- Is treated as a reduction to the obligation

D = Line Item Discount

- Must be associated with a Line Item (i.e., have a line item number assigned that is the same as the line item number of the item being discounted)
- Must carry the same budget object and account line as the line item to which it is associated
- Is treated as a reduction of the obligation

E = Federal Excise Tax

- Must be associated with a line item (i.e., have a line item number assigned that is the same as the line item number of the item being taxed)
- Must carry the same budget object and account line as the line item to which it is associated
- Is treated as an addition to the obligation

F = Freight

- Must be associated with a line item (i.e., have a line item number assigned that is the same as the line item number of the item to which freight is being charged)
- Must carry the same budget object and account line as the line item to which it is associated
- Is treated as an addition to the obligation

Freight charges may be prorated over accounting classifications and budget objects by placing a dollar amount in Block 26, Estimated Freight.



Do not charge freight to a line item (Action Code F) and estimated freight (Block 26) on the same purchase order.

All payment conditions relative to estimated freight apply to Action Code F

N = Nonmerchandise Cost

- Must be either associated with a line item (i.e., have a line item number assigned that is the same as the line item number of the item to which it is being

Appendix F. Purchase Order Action Codes (contd)

charged), in which case it will carry the same budget object and account line as the line item to which it is associated

- Must be independent of a line item (i.e., no line item number assigned to the nonmerchandise cost), in which case it can (a) carry its own budget object and account line or (b) not carry any budget object or account line, in which case the nonmerchandise cost will be prorated among accounting classifications and object classes
- Is treated as an addition to the obligation

T = Trade-In

- Must be a credit that is a result of a trade-in of capitalized equipment
- Must be associated with a line item (i.e., have a line item number assigned that is the same as the line item number of the capitalized equipment)
- Can carry the same budget object and account line as the associated line item
- Can carry a budget object and account line different from the associated line item
- Is treated as a reduction to the obligation

V = Volume Discount

- Must be independent of a line item (i.e., no line item number assigned to the volume discount)
- Must not carry any budget object or account line which, therefore, prorates the discount value among accounting classifications and budget objects
- Is treated as a reduction to the obligation

X = Line Item Cancellation

- Used only on an amendment to a purchase order
- Must be associated with a line item (i.e., have line item number assigned that is the same as the line item number of the item being canceled)
- Must carry the same budget object and account line as the line item to which it is associated
- Is treated as a reduction to the obligation



Note

To further explain the action code process, an action code table is provided on the following page. Also, see **Additional Information for Type 40 orders, Entering Action Codes in Block 13** under **Type 40 Completion Instructions**.

Appendix F. Purchase Order Action Codes (contd)

ACTION CODE TABLE

ACTION CODE	MUST BE ASSOCIATED WITH CAPITALIZED EQUIPMENT	MUST BE ASSOCIATED WITH A LINE ITEM	CAN BE ASSOCIATED WITH A LINE ITEM	MUST HAVE SAME BUDG. OBJECT AND ACCT. LINE AS ASSOCIATED LINE ITEM 2/	CAN HAVE SAME BUDG. OBJECT AND ACCT. LINE AS ASSOCIATED LINE ITEM 2/	CAN HAVE OWN BUDG. OBJ. AND ACCT. LINE	MUST BE PRORATED (NO BUDGET OBJECT AND ACCT. LINE)	CAN BE PRORATED (NO BUDGET OBJECT AND ACCT. LINE)	ADDITION TO THE OBLIGATED AMOUNT	REDUCTION TO THE OBLIGATED AMOUNT
C=Credit			Yes		Yes	Yes		Yes		Yes
D=Line Item Discount		Yes		Yes						Yes
E=Excise Tax		Yes		Yes					Yes	
F=Freight		Yes		Yes			1/		Yes	
N=Nonmerchandise			Yes		Yes	Yes		Yes	Yes	
I=Trade-In	Yes	Yes			Yes	Yes				Yes
V=Volume Discount							Yes			Yes
X=Line Item Cancellation		Yes		Yes						Yes

1/ Freight charges may be prorated over accounting classifications and budget objects by placing a dollar amount in Block 26, Estimated Freight. Use of both the "F" Action Code and the Estimated Freight Block on the initial purchase order and any associated amendments is not allowed.

2/ If Budget Object and Account Line are the same as the associated Line Item, it is NOT necessary to enter both again on the appropriate Action Code Line.

G. Type Commodity/Payment Due Codes *(Block 22a On The AD-838)*

The type of commodity is a factor in determining the payment due date of a purchase. NFC developed the following six commodity/payment due codes. These codes provide agencies with a mechanism to identify the specific type of purchase on the AD-838 in Block 22a. Remember to indicate the net payment terms in Block 22 on the AD-838 that is applicable to the payment due date for the code. For example, if M is the commodity code shown in Block 22a, then net payment terms in Block 22 is 7 if no other payment terms are specified for the order.

Code	Definition	Payment Due Date
M	Wholesale quantities of meat and meat food products including any edible fresh or frozen poultry meat, any perishable poultry meat food product, fresh eggs, and perishable egg products.	<p>7 days after the delivery date when no other payment terms are specified in the purchase order. To achieve timely payment, it is suggested that the order contain a clause such as, "Delivery will not be considered complete until a proper invoice is received by the designated office."</p> <p>The date the invoice was received or the receipt/acceptance date of the goods is used to determine the due date. The payment due date is computed from the later of the two events.</p>
D	Wholesale quantities of dairy products, edible fats or oils, and food products prepared from edible fats or oils	<p>10 days after the delivery date when no other payment terms are specified in the purchase order. To achieve timely payment, it is suggested that the order contain a clause such as, "Delivery will not be considered complete until a proper invoice is received by the designated office."</p> <p>The date the invoice was received or the receipt/acceptance date of the goods is used to determine the due date. The payment due date is computed from the later of the two events.</p>
P	Wholesale quantities of perishable agricultural commodities	<p>10 days after the delivery date when no other payment terms are specified in the purchase order. To achieve timely payment, it is suggested that the order contain a clause such as, "Delivery will not be considered complete until a proper invoice is received by the designated office."</p> <p>The date the invoice was received or the receipt/acceptance date of the goods is used to determine the due date. The payment due date is computed from the later of the two events.</p>
C	Progress payments on construction contracts	<p>14 days after receipt of the approved progress payment request when no other terms are specified in the terms and conditions of the contract or invoice.</p> <p>Note: Payment terms should be indicated on the AD-838. When invoice payment terms are different from those specified on the AD-838, ensure that the vendor shows the payment terms on the invoice.</p>
O	All other goods and services	<p>30 days after the delivery date when no other payment terms are specified in the purchase order. To achieve timely payment, it is suggested that the order contain a clause such as, "Delivery will not be considered complete until a proper invoice is received by the designated office."</p> <p>The date the invoice was received or the receipt/acceptance date of the goods or services is used to determine the due date. The payment due date is computed from the later of the two events.</p>
X	All other goods and services not subject to the Prompt Payment Act and Circular No. A-125 or cash management	<p>This code is used to make immediate payment.</p> <p>Caution: Do not use this code to intentionally bypass the provisions of the Act. It was developed for use on the AD-838 when a specific purchase of goods and services indicates that the Prompt Payment Act does not apply. Interest is not assessed for a late payment. It is exempt from cash management and processed immediately. Improper use of Code X prohibits the Government from earning interest that otherwise would accrue when the purchase order is properly coded.</p> <p>The determination to pay immediately is made by the agency, not NFC. Examples of immediate payments are advance payment orders, payments of grants and cooperative agreements, and certain purchases made from foreign contractors for work performed outside the U.S.</p>

H. NFC OPAC Billing Requirements – Quick Reference List

NFC OPAC Billing Requirements – Quick Reference List

NFC (ALC 12–40–0001) requires the following information to process OPAC bills. Failure to comply with these requirements can result in a chargeback of the OPAC bill.

1. Type 43 Form AD–838, Purchase Orders:

- Charges should, when possible, be billed on separate OPAC bills. Also, whenever possible, charges under purchase orders should not be billed with other miscellaneous charges (e.g., Forms AD–672, GSA–50, GSA–2957, or SF–182).
- Provide the order number and amount for each order.

2. Miscellaneous charges (e.g., Forms AD–672, GSA–50, GSA–2957, or SF–182), the following accounting data must be provided:

- Accounting classification code (if Forest Service (FS), the management code)
- Fund code (if FS, the region and unit codes (e.g., TP–02 or 04–02))
- Accounting station code (Natural Resources Conservation Service only)
- Budget object classification code (BOCC) (if not provided, BOCC 2510 will be used)
- Procuring agency name and telephone number

If the above information is not readily available, the billing agency (vendor agency) must obtain the accounting data from the procuring agency (NFC-serviced agency) prior to billing through OPAC.

3. For OPM and GSA training charges, a copy of the completed SF–182 must be forwarded to NFC.

4. For GPO charges, the Forms SF–1 or GPO–2511 must include:

- Requisition number
- Date
- Billing Address Code (BAC)
- Accounting data described in Item 2, above, in the Appropriations Chargeable block; however, if a BOCC is not shown, 2410 will be used
- Title
- Estimated amount
- Description
- Procurement agency name and telephone number

Procuring USDA agencies in the Washington D.C. area must provide the SF–1 or GPO–2511 to USDA, Office of Communications. Other procuring agencies must forward a copy of the SF–1 or GPO–2511 to NFC with the information listed above.

5. All OPAC supporting documentation forwarded to NFC must include:

- OPAC bill document reference number
- Billing office disbursing office (D.O.) symbol
- Accounting data described in Item 2, above

Label supporting documentation “OPAC DATA” and forward to National Finance Center, USDA, P.O. Box 60963, New Orleans, LA 70160–0963. To avoid a chargeback, supporting documentation must be received at NFC within 5 calendar days of the OPAC bill date.

6. If a credit is issued to correct a prior billing, the OPAC bill document reference number and OPAC bill date being reversed must be indicated in the Description field. If the credit is for a purchase order, also indicate the purchase order number.

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